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# Daily Report

# East Europe

FBIS-EEU-93-158
Wednesday
18 August 1993

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*FBIS-EEU-93-158* *18 August 1993*

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## Karadzic Says Peace Never Closer; Izetbegovic 'Morose'

*AU1708204593 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 17 Aug 93*

[Report by Dusan Cukic from Geneva]

[Text] Late this evening, Radovan Karadzic stated to your correspondents in Geneva that the peace in the former Bosnia-Herzegovina, regardless of the fact that nothing has been decided yet, was closer than ever before.

Mate Boban, too, said that the negotiations were calm and good despite the fact that the differences continue to be great, while the spokesman of the cochairmen, John Mills, also emphasized his satisfaction with the atmosphere of work. Only Alija Izetbegovic left the Palace of Nations morose tonight, without a single positive word. As the leader of the Muslim part says, we have talked for 10 hours without making any progress. I am not satisfied with the document about Sarajevo and will be even less satisfied if the blockade of the town is not lifted immediately. To this summary of the protagonists we shall add in brief what were the main topics today.

They discussed the details of the maps. Izetbegovic seeks access to the sea and to the Sava River and the regions along the Drina River; all in all, more than 40 percent of the former republic. The Serbs, as well as the Croats, would allow 30 percent as the maximum and explain that, when this is translated into its economic equivalent, this is worth nearly 60 percent of the entire former Bosnia-Herzegovina.

Sarajevo is also a stumbling block. It is not contested that the town should be under UN patronage for at least a year, but the Muslims want the present communal borders to remain. The others would not accept this and it is evident that, beside the tripartite commission, the cochairmen will also take part in the arbitration.

Tomorrow, Owen and Stoltenberg will first meet with Boban and Izetbegovic. They will discuss Herzegovina and central Bosnia. Then Karadzic will join the dialogue with Izetbegovic, and then they will all meet together.

It has been announced here in Geneva tonight that the cochairmen had invited Presidents Milosevic [Serbia], Bulatovic [Montenegro], and Tudjman [Croatia] to come to the Palace of Nations on Thursday [19 August].

Today's atmosphere and the course of negotiations inspire hope, although experience shows that, in such circumstances, one should never be too optimistic, especially because one of the participants—as Boban has said publicly of Izetbegovic—is always ready to undermine a peaceful political situation, although it is clear to the international community, too, that there is no other option for the former Bosnia-Herzegovina.

## Izetbegovic: 'No Progress'

*LD1708225793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2200 GMT 17 Aug 93*

[Text] As far as eastern Bosnia is concerned, the new round of Geneva talks had made no progress, Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, has said. The aggressor side was prepared to hand back only the municipalities of Srebrenica, Zepa, and Gorazde, but was met with strong resistance from President Izetbegovic who said that no one could expect a municipality which had Muslim majority population before the agression to be given to the Serb aggressor.

In another development, the cochairmen of the conference on the former Yugoslavia, Owen and Stoltenberg, have invited the presidents of Croatia, Serbia, and Montenegro again to join the negotiations on Bosnia-Herzegovina on 19 August.

## Committee To Set Sarajevo Borders

*LD1708184993 Belgrade TANJUG in English 1806 GMT 17 Aug 93*

[Text] Geneva, August 17 (TANJUG)—The parliament president of the Serbian republic in Bosnia-Herzegovina (RS), Momcilo Krajisnik, said in Geneva on Tuesday [17 August] that chances existed for the three warring sides in Bosnia-Herzegovina to adjust their views on the external and internal boundaries of Sarajevo.

Krajisnik is member of a newly set up committee—made up of one representative of each, Bosnian Muslims, Serbs and Croats—which is to define the criteria for the drawing of borders between the nine Sarajevo municipalities.

Krajisnik told TANJUG after the committee held its first meeting that the Serbian side had requested that the five Serbian villages around Sarajevo which had been captured by Muslims be joined to the Serbian municipalities.

The leaders of the three warring sides in Bosnia-Herzegovina on Monday agreed in principle that Sarajevo be placed under United Nations administration and that the city territory cover nine municipalities, not including the municipality of Pale which has been the political and military centre of Bosnian Serbs since April last year when the civil war broke out.

Krajisnik said he had reminded the committee members that the residents of the outskirts of Sarajevo and the municipalities of Centar and Stari Grad had decided before the war that their parts of the city be joined to Pale. He said he had proposed that it remain so.

Krajisnik said that Croatian representative Miro Lasic had asked that the suburbs of Kresevo and Kiseljak be joined to the part of Sarajevo which is to be placed under U.N. administration. Muslim representative Muhamed

Filipovic insisted that Sarajevo's external boundary be defined on the basis of the existing external boundaries of the nine municipalities.

Krajisnik said the committee members had agreed that one of the criteria for defining the inter-municipal boundaries be the ceasefire lines, but said the criterium would not be the most important one.

Krajisnik said he had told the other committee members that it must be borne in mind when drawing Sarajevo's internal boundaries that the municipalities of Hadzici, Ilidza and Novi Grad, which were predominantly populated by Serbs, had been set up just before the war and were now divided since Muslim troops had captured some of their parts.

Krajisnik said the Serbian side had proposed that Muslim and Serbian representatives be members of a body which would coordinate the work of all Sarajevo municipalities. Otherwise, power is to be vested solely in the municipalities." [quotation mark as received]

The newly set up committee will resume work late on Tuesday afternoon, after which it is to present its recommendations at a plenary session to be attended by representatives of all three Bosnian sides and the cochairmen of the international conference on the former Yugoslavia, Lord Owen and Thorvald Stoltenberg.

### Commentator Views 'Difficult' Talks

*AU1708192393 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 17 Aug 93*

[Report by Dusan Cukic]

[Text] A difficult, exceptionally difficult negotiating day here in Geneva about the most sensitive issue—the territorial division of the former Bosnia-Herzegovina. Cochairmen Owen and Stoltenberg first met separately with Karadzic and Izetbegovic, and later with Boban and Izetbegovic. Late in the afternoon they met with all the leaders together. Unlike on earlier occasions, today the participants were not very inclined to divulge details, but the numerous correspondents were nevertheless able to learn valid details.

It is certain that the Muslims are going ahead with maximal demands which means demanding as much as 40 percent of the territory of the former Bosnia-Herzegovina. However, it is well known that even according to the Vance-Owen plan they could not get more than 28 percent. Later, after the agreement of the Serbs and Croats, they were guaranteed up to 30 percent of the former Bosnia-Herzegovina.

It has been assessed in the observers' circles in Geneva that this is perhaps a tactical move on the part of the Muslims. By demanding the impossible, they might be hoping to get more in the present situation than is being offered to them, thus salvaging everything that they have lost. We have learned from Serbian and Croatian sources that such a plan will not pass, while the delegation of the republic of Srpska has promised that the only thing that they would not do is avoid a further dialogue about all the most sensitive territories.

Izetbegovic is also demanding an outlet to the sea and to the Sava River. A great part of the day passed in a discussion about Sarajevo. Nothing was said that might deny the agreement that was reached in principle last night about nine municipalities and the outer borders of the city that would be the same as they had been before the war, excluding only Pale which is part of the Srpska republic. For the time being, Sarajevo will remain under UN protectorate. However, swords are being crossed on the issue of establishing borders between municipalities in the city itself.

Evoking the Constitution of the former Bosnia-Herzegovina —which has been nonexistent for a long time now—the Muslims claim that the Sarajevo municipal borders cannot be changed. This, of course, is unacceptable to the other two sides because they reject this type of majority rule by a nation which incited the whole process, and they demand that the tripartite committee establish the concrete situation and propose a solution.

We have learned in the cochairmen's circle that a mellow dialogue and the possibility of any side maximally relaxing its demands had not been anticipated at the present moment. In other words, it is very significant that they have all gathered at the negotiating table and are directly discussing all the controversial issues. That is, after all, the purpose of Geneva.

## Nano Denounces Berisha's 'Totalitarian Rule'

*AU1808074093 Lezhe KOHA JONE in Albanian 28 Jul 93 p 2*

[Martik Leka interview with Socialist Party Chairman Fatos Nano, place and date not given: "Berisha May Prolong His Totalitarian Rule for a few Days, But None of His Schemes Have Any Future"]

[Text] Yesterday evening the right wing of the Albanian parliament lifted the immunity of Deputy Fatos Nano, chairman of the Socialist Party. Our journalist Martin Leka asked Mr. Nano himself what he thought about this.

[Nano] I am not in the least surprised, because it was an entirely anticipated step for which we have long been prepared. It is part of the logic of antidemocratic developments that not only we but many other intellectual democrats, other honest journalists, and politicians have denounced. I do not consider it a misfortune at all, and I am even proud to be ranked with the opposition against the violations of human rights and democratic principles in Albania. Moreover, I understand perfectly well, and will continue until the end of my political career and physical existence to denounce as I have heretofore, everything that is being done in Albania that is unsuitable to the Albanian mentality and reality by bands of overweening politicians or feudal lords, whom I long ago denounced for their plans to turn democratic Albania into a banana republic. I stress this because I and many other colleagues in serious parties and independent intellectuals have condemned the dangers of the establishment of a typically totalitarian state in Albania, the danger of a resumption of Albanian political life from the ossified positions of 1944, which are unfortunately accompanied by designs for Albanian found in the archives of that time, which were halted by the communist plague. I wish to emphasize this, because a plague paralyzed the alternative and prevented us from progressing in Western civilization. These plans now condemn them. From the legal angle, I am not worried about anything except the appalling political and psychological pressure that extends as far as my children's bread, and threats of imprisonment from judicial representatives and the independent institutions we expect will create a justly governed state. I am not so naive as not to understand that Mr. Berisha is the mastermind behind everything happening in Albania. Through naive or Machiavellian maneuvers among the cliques and lobbies that have been created, that are neither the communists of yesterday nor the neocommunists of today, Berisha may prolong his totalitarian rule for a few days, but none of his schemes have a future because Berisha's sponsors think that the people of Albania can continue to be terrorized by the schemes of Enver Hoxha's dictatorship. Hoxha tried to keep butterflies in the stomachs of Albanians for 50 years, but I am convinced that the Albanians, especially those aged between 20 and 35 (I stress my confidence in young people because they represent one half of the populace) are no longer frightened of the [line dropped in original] of state violence that violate human rights. Therefore, also thanking your newspaper for the opportunity to communicate with a large mass of readers whom I admire because they are not fanatical adherents of party newspapers, I have the opportunity to repeat my position and my commitment in the future, even if I am placed on trial with my colleagues and other honest Albanians (who are striving for genuine democracy in Albania and the realization of Albania's natural integration on its own continent, without losing time and shedding blood in the Arabian deserts or on transoceanic journeys) to stay the hand of revanchism and halt the antinational schemes of our southern or nothern chauvinist neighbors and their old and new allies, whether in Europe or from other continents. I reemphasize that the most recent blow delivered against the chairman of the main opposition party in Albania by this state (which has not shown every sign of being a police state) neither discourages me nor bothers me. It allows me better opportunity to draw closer to many other fighters for justice in Albania and throughout the entire Albanian nation, who always have been and will continue to find friends in the civilized world.

I assure all those who enjoy reading my words that in the future also I will continue to honestly denounce crimes against democracy, human rights, and the national cause. I consider the attack against me to be an attack against the sublime interests that I am sure preoccupy the majority of Albanians.

I am prepared for anything and I will value every courtroom as an arena in the sacred institutions of justice, where I will denounce not only what I have mentioned above but every violation of the sovereignty of justice. I am sure that justice, and my rights in this specific case, will triumph in Albania.

I am very calm, and my children and parents, especially my mother, who are also calm, comfort me.

## Socialists Denounce 'Police State'

*AU1708215593 Tirana ZERI I POPULLIT in Albanian 1 Aug 93 pp 1, 3*

[Statement by the Socialist Party Presidium and the Socialist Party Parliamentary Group issued in Tirana on 31 July]

[Text] The revanchist-fascist usurpation of power in all the structures of the state and the ruling party has now become a very disturbing reality for the entire Albanian people and nation. Within a short period, thanks to the work of the entire people and of progressive political forces, the dictatorial system was overthrown. Although everybody hoped that the transition period would pass, involving a cleansing of society, we see that Albania is still dominated by the same totalitarian mentality of violence, of the state as an instrument of oppression, of

the party-state, and of political attacks against opponents, using the same methods, except with a deceptive disguise of demmaggogy. Genuine democracy is in greater danger than ever before, because antidemocratic acts are being carried out in its name.

The Socialist Party [PSSh] has opposed this political line of the state, this manner of rule, and this revanchist-fascist usurpation visible in the parliament, the government, and all other institutions organized by the Democratic Party [PD]. The people are totally disillusioned by the activities of the political state, the inability of the government to govern, its skill in the organized and illegal plunder of the wealth that belongs to every Albanian and not just a handful of PD extremists, mass unemployment with prices that squeeze people's lifeblood, the systematic violation of human rights by the police, and judicial attacks against the views and alternatives of the opposition, against the free press that does not play the government's tune, and against intellectuals that do not applaud the rulers.

The stands of the PSSh have raised an antidemocratic storm in the PD and the police state that the PD represents. Today's rulers have responded with violence, psychological terror, political machinations, and fascist threats to the political activities and peaceful protests of the PSSh. After the police's brutal intervention in the rallies at Kucove and Peshkopi, after the insults against the two deputies that took part in the PSSh's activity in Tropoje, and after a series of obstructions to our meeting with the people, the culmination came with the anti-rally of Shkoder, when the true face of the police state was brutally exposed with its mafia-style hole-and-corner government and party intrigues and openly criminal and fascist threats against PSSh deputies. All these things were covered up by President Berisha's irresponsible statement that the Socialists should not go to Shkoder. Meanwhile, he and his television and his state guarantee that the criminal Gjonmarkaj can visit in peace the scene of his crimes. The political state has recently intensified its blows against the PSSh. Violating legal procedure, the parliament removed Fatos Nano's immunity. Two days later, the PSSh deputies Maqo Pakrori and Alfred Paloka were assaulted by a group of hooligans or plain-clothes policemen and the uniformed police have still taken no steps. On 30 July, the day when the PSSh was to organize its rally for the defense of human rights and freedoms and the national cause, PSSh Chairman Fatos Nano was arrested in the most provocative fashion, without the presence of a lawyer, with a perfunctory investigation, and by a newly-appointed procurator who had still not entered office.

This is an act of unprecedented violence and an escalation off dictatorial methods to bury democracy in Albania.

At a time when the president of the republic kisses criminals of the likes of Markagjonaj, who announced on Albanian television that he was a murderer and the organizer of murderers, at a time when the police state has increased its violence and has revived the article on agitation and propaganda, at a time when Tirana has been put under a state of siege and the police and the Army are ordered to be on a state of high alert, at a time when the police state retains ministers who themselves declare that they are fascists, and then the economic crisis is always deepening and the prisons are being filled with honest people and genuine democrats, members and supporters of the PSSh, and the PSSh Presidiuim issues a rallying cry to restrain the hand of the fascist dictatorship that is being established and is exercising police control and total surveillance of all PSSh branches both centrally and locally. No, you gentlemen in power, there is no way that you can overpower the will and rage of the people with police and military violence! The police and the soldiers are sons of the people. Their function is to defend the people of Albania, and there is no way in which they can murder their brothers and sisters, their mothers and fathers who still suffer from the wounds dealt to them in the struggle against the fascists and Nazis, who struggled to protect democracy for the sake of the great ideals of December 1990, and to defend the lives of the mothers and innocent children who protected Albania.

The PSSh Presidium issues a call to the organs of justice not to tall into the trap of the dictatorship and to raise a barricade against violators of the law and democracy.

The savage blows of the right and the predominance of methods of fascist repression in the failed government of the PD are polarizing and radicalizing the current political struggle. You rulers of the right will be responsible to history for the predictable consequences that this radicalization of the people's rage may bring and for the ominous conditions and pretexts that you are attempting to create in order to impose a state of emergency that will drown in blood the sincere aspirations of the Albanian people for freedom and genuine democracy.

The PSSh Presidium issues a call to its members and supporters, honest people and genuine democrats, to respond with mass public protests to the rightist police terror and not to fall victim to the police state's provocations. Let nobody be frightened or flinch at fascist police violence. Democracy, freedom, and genuine justice will triumph in Albania. We Albanian Socialists will determinedly fight to defend freedom and democracy.

The PSSh Presidium issues a call to all progressive Albanian political parties, organizations, and associations to declare themselves against today's escalation of the savage fascist repression and to stand up in the struggle to defend Albania and democracy.

## Daily Editor Interviewed on 'Arrest'

*AU1708112793 Lezhe KOHA JONE in Albanian 4 Aug 93 p 4*

[Unattributed interview with Thoma Gellci, editor in chief of ZERI I POPULLIT, place and date not given: "A Journalist May Be in a War, But That Does Not Mean He Takes Part in It"]

[Text] [KOHA JONE] In Sunday's [1 Aug] issue of your paper, we learned that you had been arrested in the late hours of the evening. What was the reason for your detention?

[Gellci] I was detained by policemen of Tirana Police Precinct No. 1 at 2120 [1920 GMT 31 Jul]. Two policemen came to the editorial office, looking for Thoma Gellci, and saying that, in order to testify over a small problem, I should, if possible, go with them to the police chief. I went to the police station, but the chief did not receive me, as I was at first told. I waited for a long time in a room called the "public waiting room," and was finally received by an inspector of the criminal police and several plain-clothes policemen. They informed me that I was accused of organizing an illegal rally on Skenderbeg Square.

[KOHA JONE] What evidence for this charge were you shown?

[Gellci] I was not shown any evidence, but the charge was laid by seven or eight members of the criminal police, who I am convinced, even today, would not recognize my face. I explained that I had been at the rally, not as a participant, but as a journalist, and was even alongside journalists from other newspapers, the television, and ATA, who were a separate group. A journalist may be in a war, but that does not mean he takes part in it. I was therefore at the rally for a different purpose, especially as the rally was legal. They did not agree to listen to any of may explanations, and this inspector detained me. They confiscated my personal belongings and my professional tape recorder. They took away my belt and shoelaces, put me in handcuffs, and escorted me to the Tirana prison.

[KOHA JONE] In prison, did they put you in a cell near Fatos Nano?

[Gellci] I do not know where Fatos Nano's cell is.

[KOHA JONE] How many hours did you remain in prison and for what reason were you released?

[Gellci] I remained there Saturday night and Sunday morning. I was sure that I would be released, first because I was not guilty and second because I was sure of the support of all my journalist colleagues, whom, even though I was released, I call on once again to firmly denounce incidents of the violation of our professional rights and assaults on our respected profession by forces that are not in the last intellectual, but are acting in blind obedience. I am calling not only on my colleagues in my own newspaper or the press that more or less opposes the government, but also on the journalists of RILINDJA DEMOKRATIKE, because they too are journalists like me and my friends. I have not read calls for the arrest of ZERI I POPULLIT's journalists in any newspaper apart from RILINDJA DEMOKRATIKE. I therefore call on its journalists to be good professionals before being party members and obedient servants of their bosses, and to develop their sense of solidarity, because they themselves, in another situation, may tomorrow be confronted with such pressure by fanatical servants of the party or state, and will be obliged to seek help from us or others (or from us all together. In this case, I thank Mero Baze, chairman of the League of Journalists, who personally did his utmost to secure my release.

[KOHA JONE] Have other ZERI I POPULLIT journalists been subject to detention or other measures at the hands of the police?

[Gellci] I want to say that, for the past month, we have been faced with various kinds of accusations by the procurator. We are threatened daily with court proceedings. Our newspaper's journalists are threatened, not only at times of confrontation and crisis, but in periods of calm also. This is so that they will always fool under the shadow of prosecution. I know that the journalist Luan Rama was detained by the police during the demonstration, in the course of his duty as a journalist, and was later released. Alfred Dalipi, journalist of 24 ORE, was also manhandled in front of the eyes of other journalists during the demonstration. He was struck with rubber truncheons, and his professional camera was confiscated. It has not been returned to this day. We also have reports from Berat about the editor in chief of the newspaper BERATI and a correspondent of ZERI I POPULLIT, Luan Shmjli, who has been detained for the third time in Berat police station by a certain Ali Shenepremte, who is a policeman well known for violating the regulations and the laws on human rights.

It is understandable that the state has its own business just as we journalists have our business. In this case, I want to stress that when it is a matter of violations of our professional rights, we must act as a group. Newspaper should rise up against these violations, because when we defend a journalist we defend ourselves.

## 'Bias' of Radio, Television Protested

*AU1708151393 Tirana ZERI I POPULLIT in Albanian 4 Aug 93 p 1*

[Article by Musa Ulqini, People's Assembly deputy and member of the Permanent Parliamentary Commission for Culture and the Public Information Media: "We Condemn the One-Sided and Politicized Attitudes of the Radio and Television"]

[Excerpt] Since the new Albanian Radio-Television management team led by Messrs. Bucpapaj, Bungo, and Sakajeva arrived, this institution has lost every shred of independence and has been transformed into the

"mouthpiece" of the ruling party. The radio and television's journalists and editors are compelled to serve up, to the public, information that serves only the Democratic Party [PD]. This situation, which flagrantly contravenes the Radio-Television's statutes, has long been clear to the public. It is enough to carefully follow a few news bulletins to be immediately persuaded of the radio and television's bias, at a time when Albanian Radio-Television has been depoliticized by law and removed from party influence. By issuing biased information, the Radio-Television violates one of the basic demands of the European charters on human rights and freedoms: a citizen's right to accurate and impartial information. With a great deal of evidence, the opposition has strongly criticized the Radio-Television management team. Nevertheless, the response of this institution's management has unfortunately not been in the least civilized, but has been brutal. Mr. Bucpapaj, director-general of Albanian Radio-Television, has admitted in public to being a tool of the PD and president's loyal spokesman. He has continually exercised psychological terror against radio and television journalist and editors, the overwhelming majority of whom aspire to professionalism and honesty in their work, in accordance with the law. However, Mr. Bucpapaj, with the support of five or six mercenary journalists of the ruling party, continues to violate the Radio-Television's legal status. [passage omitted]

### Berov Briefs U.S. Envoy on Transit Through Serbia

*AU1708190193 Sofia BTA in English 1741 GMT 17 Aug 93*

[Text] Sofia, August 17 (BTA)—Today Prime Minister Prof. Lyuben Berov familiarized U.S. Ambassador in Sofia Hugh Kenneth Hill with Bulgaria's desire to be allowed, within the framework of UN Security Council Resolution 820, transit shipments via Serbia by providing guarantees that none of the shipments would be diverted. The meeting was held at Mr. Hill's request, government's spokesman Raycho Raykov told the press after the meeting.

On August 5 the Bulgarian Foreign Ministry announced that following the UN Sanctions Committee's refusal to allow a transport corridor for Bulgaria's goods via the former Yugoslavia, a new working project for the transit shipment of Bulgarian goods via Serbia had been sent to Brussels.

Bulgaria's making representations again made the U.S. ambassador voice his concern lest Bulgaria might have revised its position on the observance of sanctions against Serbia and Montenegro, Bulgarian Foreign Minister Stanislav Daskalov, who attended the meeting, told the press later. The prime minister told Mr. Hill that transportwise, Bulgaria is practically isolated as a result of the embargo, the activity of the Serbian organizations Bela Ruza and Nova Vizantija which actually blocked navigation along the Danube, and the expected road workers strike in Romania, Mr. Raykov said.

The U.S. ambassador was told about the serious public pressure under which the government comes because of the losses arising in connection with the observance of sanctions and the lack of compensations for them. Minister Daskalov informed him that Bulgaria had proposed a package of control measures to the sanctions assistance missions with the UN Security Council Sanctions Committee in Brussels, which would guarantee that in case it is allowed transit via Serbia, there will be no diversion of shipments. Prof. Berov asked the U.S. ambassador to back up the measures proposed and to help expedite the consideration of Bulgaria's request by the Security Council, Minister Daskalov said.

Mr. Hill said he supports Bulgaria's efforts to observe the UN sanctions and showed understanding for the serious losses it suffers.

### Berov Talks to Press on Implementing Sanctions

*AU1708190293 Sofia BTA in English 1808 GMT 17 Aug 93*

[Text] Sofia, August 17 (BTA)—Bulgaria must find a form of looking after its interests in the implementation of UN Security Council Resolution 820, Prime Minister Lyuben Berov told reporters of the national media today. Asked whether the government will bow to growing pressure for a way out of the problem of shipments from and to Europe, including a defiance of the Yugoembargo, Prime Minister Berov said that "it is rather delicate for Bulgaria, being a small state, to take an open stand against the application of Resolution 820." At present Bulgaria is literally besieged, the head of government said, recalling That the country cannot import and export goods from and to Europe across Serbia because of the embargo and for nearly a week now has been having problems with shipments across Romania owing to the rail strike there and the expected strike of Romanian road workers.

"We must find a form of looking after our interests while at least going through the motions of observing Resolution 820, as few people in Bulgaria, for all the fuss they are making now, would assume the heavy responsibility of saying, 'we couldn't care less about UN resolutions,'" Prof. Berov said. He was referring to an appeal, signed by political and public organizations and a group of intellectuals, which was made public yesterday. The signers emphasize that the observance of the embargo against Serbia and Montenegro is having a more than disastrous effect on Bulgaria and insist that the Bulgarian Government commit itself to active international moves by declaring formally that Bulgaria is no longer in a position to observe the terms of the embargo.

Mr. Berov recalled today that the government is trying to find a way out: Bulgaria recently requested an opportunity for transit shipment of goods across Serbia. The Bulgarian prime minister today conferred with the U.S. ambassador in Sofia, Mr. Hugh Kenneth Hill, to whom, as he put it, he "urgently raised the matter of securing the movement of Bulgarian goods from and to Central and Western Europe."

### Berov: New Attack Launched Against Government

*AU1708164093 Sofia BTA in English 1606 GMT 17 Aug 93*

[Text] Sofia, August 17 (BTA)—A new attack is being launched against the government after one month ago the attempts of the Union of Democratic Forces (SDS) to topple it came to naught, Prime Minister Prof. Lyuben Berov told national media reporters today. According to Prof. Berov, the attacks against the government have been resumed because it is firmly resolved to accelerate the land reform restituting 60 percent of the arable land in Bulgaria by the end of this year, to carry out mass privatization and to take stern measures against crime, economic crime included.

Prof. Berov categorically denied the allegations made by Dr. Konstantin Trenchev, president of the Podkrepa Labour Confederation, that at some backstage negotiations with the Bulgarian Socialist Party (BSP), the government undertook to neutralize the Podkrepa influence over the military industrial complex. Prime Minister Lyuben Berov described Dr. Trenchev's allegations as "a brazen lie," and invited the trade union leader to make

public the tape recording claimed to be in his possession at a special press conference this weekend.

The prime minister denied the charges that the government follows a policy of recommunization in the countryside by appointing people of the BSP to the liquidation councils.

Commenting on last week's statement by SDS Chief Secretary Ivan Kurtev who said that the government sought a state of emergency, Prime Minister Berov said that such allegations were ridiculous and that only the president could impose a state of emergency in the country.

The prime minister said that the problem of the redistribution of trade union property would be solved by the end of August adding there was no need to make any ultimatums on the issue. The other major trade union amalgamation, the Confederation of Independent Trade Unions in Bulgaria, recently warned that it would revoke its support for the government if the problem of trade union property was not resolved by the beginning of September at the latest.

### Agency Begins Privatization of Four Companies

*AU1608203793 Sofia BTA in English 1908 GMT 16 Aug 93*

["Today"—BTA lead]

[Excerpts] Sofia, August 16 (BTA)—A collegium of the Privatization Agency decided today to open privatization procedures for four companies: Torgoterm (Kyustendil) making grills, furnaces and glass-cases, Stil (Dimitrovgrad) for interior and exterior decoration, Plovdiv's Kamenitsa Brewery and SZI-Sofia making confectionery.

A workshop on "The Road to Economic Thinking" opened at the American University in Blagoevgrad (southwestern Bulgaria) today. Ognyan Pishev, Bulgarian ambassador in the United States, and John Panitsa, representative of the Democratic Bulgaria Foundation, attended the official opening. Nine professors from the United States and France and as many lecturers of Bulgarian economic institutes are going to deliver lectures. [passage omitted]

In an open letter to Environment Minister Valentin Bosevski the Ecoglasnost branch in Varna (on the Black Sea) strongly protests against an agreement to hire a Romanian platform for prospecting near Shabla (in the north of the Black Sea coast). The letter, quoted by national radio today, says Romanian platforms do not meet safety requirements and constitute an environmental threat to the Bulgarian Black Sea coast. The Ecoglasnost branch warns it will take all possible legal protest actions to prevent this blow on the environment. [passage omitted]

Experts of the extra-parliamentary Bulgarian Social Democratic Party told a press conference today the raise of electricity prices, sponsored by the National Electricity Company, was unmotivated. The company has gone out of control, no audit has been conducted for ten years, said Associate Professor Todor Dimchev.

The intention of the Health Ministry to limit private medical practice at state-run health care establishments, reported by the press, would virtually lead to its abolition, says a letter to the health minister by the Society of Doctors Practicing Privately. The letter was also sent to the BTA. [passage omitted]

Two Greek warships, the fleet minelayer Formion and the frigate Limnos, will call in Varna on the Black Sea from August 17 to 20, the Defence Ministry Press Office told BTA.

The Defence Ministry Press Office said officers, led by Ground Forces Commander Lieutenant General Tsvetan Totomirov, today start an annual inspection of the Ninth Tank Brigade, deployed in Gorna Banya near Sofia. They will check the implementation of the combat training programme for the 1993 school year.

The government-monitored retail prices rose 1.42 times between July 30 and August 16, the National Statistical Institute told BTA. Flour saw the sharpest rise. The prices of two kinds of bread also went up.

The European Bank for Reconstruction and Development lends 61 million dollars to complete the Trakiya Motorway, southern Bulgaria, national radio reported in its evening news broadcast.

In a declaration to the National Assembly, the president's office and the Council of Ministers, released today, the local ethnic Turks' Movement for Rights and Freedoms (DPS) in Momchilgrad, southern Bulgaria, stresses the need for complete publicity for the role of the local Interior Ministry authorities in the forcible renaming campaign waged against Bulgarian Turks in the 1980's. Seven persons were killed in the Momchilgrad municipality and hundreds interned at the Belene forced labour camp or other parts in the country, says the document. Yet the population showed exceptional tolerance and maturity and does not want revenge but legal justice for the culprits. "We remember the cruelties but we also remember the compassion and understanding shown by the Bulgarian population. It is precisely in order to differentiate between the culprits and the innocent, and restore mutual trust among the ethnic communities, that we want the full publicity for the events between the winter of 1984 and November 1989," says the declaration. [passage omitted]

An address to the National Assembly chairman, the president and prime minister by the Zora Political Circle recalls Bulgaria sustains enormous losses as a result of the embargo on Serbia and Montenegro. "Convicted while innocent, taken hostage to the selfish interests of

the dominant world powers, we face an economic collapse," says the address. It stresses the consequences of observing the sanctions are more than disastrous. Zora insists that the Bulgarian Government commits itself to active international action, saying Bulgaria can no longer observe the terms of the embargo. In case of refusal to lift the embargo, the government, parliament and president should urge compensations for the losses, including those resulting from the embargo on Iraq, it says. According to Zora, if the government proves incapable of performing these tasks, it should tender a resignation and parliament should dissolve. The address is signed by the Bulgarian National Radical Party, the All-National Committee for the Defence of National Interests, the Helsinki Watch in Bulgaria, the Institute for National Studies, the Federation of the Bulgarian Socialist Youth, the Union of Bessarabian Bulgarians, etc., as well as intellectuals such as Academicians Georgi Bliznakov and Ilcho Dimitrov, five professors, research workers and well-known writers.

### Cabinet Raises Sunflower Oil Export Duty

*AU1608203893 Sofia BTA in English 1922 GMT 16 Aug 93*

[Text] Sofia, August 16 (BTA)—At a regular meeting today, the Council of Ministers decided to amend the decree on the export/import regime and raise the export duty on black oil-bearing sunflower and hides. The export price of sunflower rises to 90 U.S. dollars, up from 45. The change was motivated by the projected low yields as a result of the long-standing drought. The idea is to limit exports to ensure oil for domestic consumption.

The decision will take force after an approval of the rise of export charges on hides on Thursday, August 19. Today the ministers decided on a rise in principle but specified no figure.

### Approves Water Agreement With Turkey

*AU1708133693 Sofia BTA in English 1210 GMT 17 Aug 93*

[Text] Sofia, August 17 (BTA)—At an extraordinary closed-door sitting today after learning the results of the negotiations with Turkey, the Bulgarian cabinet decided to endorse the Intergovernment Agreement on Interaction and Cooperation in Water Supply intended to reduce the adverse consequences of the drought in 1993, the Government's press office reported. Foreign Minister Stanislav Daskalov will conclude the accord by exchange of diplomatic notes. By September 5, 1993, the sides will specify the form of and deadlines for the compensation to be paid by Turkey.

The agreement provides for the export to Turkey of 40 million cubic metres of water, which would not upset the water balance of the Zhrebchevo dam lake or irrigation in the Burgas and Khaskovo regions. In return, Bulgaria will receive a compensation of 4,470,000 U.S. dollars, the press office specified.

### Rise in Balance of Payments Deficit Reported

*AU1608184293 Sofia 24 CHASA in Bulgarian 12 Aug 93 p 17*

[Report by Ivo Denchev]

[Text] According to preliminary figures announced by the Bulgarian National Bank [BNB], the deficit in the balance of payments current account rose by a further $230 million during the second quarter of 1993.

The main reason for the shortfall is that imports exceeded exports. From April to the end of June, the negative balance in the commodity exchange was $204 million, with exports of goods valued at $920 million and imports at $716 million. These figures are based on customs declarations.

The banks, however, report exports valued at $1.053 billion dollars and imports of $992 million, which gives a positive balance of $61 million. According to the experts, the difference reveals the fact that the banks are receiving foreign currency from abroad in respect of which no actual exports took place, as well as the existence of false customs declarations that do not reflect the real movement of goods.

In the second quarter of 1992, the country had a positive balance of trade of $288 million. The superembargo against Serbia and the recession in our economy are cited as reasons for the current decline.

Receipts from services—$257 million—are also less than outgoings, which were assessed at $301 million.

The accumulation of a large deficit in the balance of payments should, in principle, make convertible foreign currencies more expensive in Bulgaria, but this has not happened. The rate of exchange shot up on only one occasion, following speculation on the depreciation of the lev.

The statements made about "devaluation" cost our foreign currency reserves about $40 million last month. The BNB figures show that, at the end of July, foreign exchange reserves fell to $927 million from over $950 million at the end of June. Of this difference, $22 million went directly into the foreign exchange market, and a further $18 million went on loans to the commercial banks.

## Tobacco Industry Plight Viewed

*AU1608203493 Sofia BTA in English 1637 GMT 16 Aug 93*

[Report by Ani Parmuksiziyan: "Problems of Bulgaria's Tobacco Industry"]

[Text] Sofia, August 16 (BTA)—"The Kurdzhali area (southern Bulgaria) will suffer grave socio-economic consequences if the government supports the project to transform the state-owned Bulgartabak into a Bulgartabak holding with nine joint-stock companies and to wind up the tobacco industry company of Kurdzhali as an independent unit," Hasan Ali MP of the ethnic Turks' Movement for Rights and Freedoms (DPS), told BTA's local correspondent today. The Kurdzhali area is mostly populated by Bulgarian ethnic Turks who make a living as tobacco-growers. Six out of 23 MP's of the DPS were elected in this region.

Mr. Ali has submitted to the cabinet a project for the setting up of 22 joint-stock companies instead of the initially planned 9 on the basis of the tobacco plants operating now.

Mr. Ali insists on the updating of minimum purchase prices before the start of the purchasing campaign. For him, the announced 11.5 percent rise in them is grossly inadequate, given the hard work in the sector and the 80 percent annual inflation. No government project in the transitional period envisages preferences for highland areas, where irrigation alone costs 10 times more than in the lowlands, Mr. Hasan Ali said.

While passing an amendment to the Turnover Tax and Excise Duty Act last week, parliament rejected the cabinet's proposal for an increase of excise duty on tobacco from 60 to 70 percent. MP's stressed this would inflict a severe blow on Bulgarian tobacco-growers. The cabinet is expected to consider the issue this week.

"The government, as well as others, will face serious difficulties unless tobacco prices are raised before the start of the purchasing campaign in October," Mehmed Hodja MP of the DPS, leader of the Parliamentary Human Rights Committee, said recently in an interview for the 24 CHASA daily. All tobacco growers "will head for Sofia equipped with tents," he said. According to Mr. Hodja, the delay in the passage of a tobacco act is an economic genocide. "Some imagine the depopulation of certain regions, the Rhodopes in particular, will solve the problem with ethnic Turks once and for all," he said. Mr. Hodja told the daily the DPS District Council in Kurdzhali had decided to make a declaration calling on the MP's of the DPS to walk out unless a tobacco act is passed and tobacco purchase prices are updated.

150,000 people are engaged in tobacco-growing and 16,000 in the tobacco industry. A few years ago the tobacco output reached some 140,000 to 160,000 tonnes a year, now it is about 40,000 tonnes. Conditions in Bulgaria are favourable and production may reach between 100,000 and 120,000 tonnes a year, Aleksandur Tomov of the regional tobacco experts union in Plovdiv (southern Bulgaria), said recently in an article in DEMOKRATSIYA.

The article said cigarettes production went down nearly by half last year. Over 80 percent of the 90,000 tonnes of cigarettes produced in Bulgaria until recently, were exported. The current sharp decline is rooted in Bulgaria's problems with export to traditional East European markets and the uncontrollable flood of import cigarettes, according to Mr. Tomov. He also stressed that while there is a ban on the advertising of Bulgarian cigarettes, foreign companies are carrying on an advertising campaign.

According to the expert, there were objective prerequisites—such as settlement problems on the part of the importing countries, above all CIS states—for the drastic cuts in the export of Bulgarian cigarettes as of late 1991. The major reason, however, is the inability to carry out trade in a free market, Mr. Tomov believes.

Legislation is the most efficient way to influence the tobacco industry. The Tobacco and Tobacco Products Act has passed on first reading only. The expert said that as early as 1881, three years after Bulgaria's liberation from Ottoman domination, regulations on tobacco growing were introduced which were amended several times later on. In 1947 they were abrogated as the state monopoly and tobacco industry expropriation act took effect.

### Klaus Accepts Nuclear Accident Conventions

*LD1708200793 Prague CTK in English 1848 GMT 17 Aug 93*

[Text] Prague, August 17 (CTK)—The Czech Republic will adhere to international conventions governing responsibility for nuclear accidents, said Czech Premier Vaclav Klaus at a press conference following a meeting of concerned ministers today.

The ministers recommended that the Czech Republic adhere to the Vienna convention on civic responsibility for nuclear accidents and the joint protocol concerning the enforcement of the Vienna and Paris conventions, which resolve questions of responsibility in case of nuclear accidents, Klaus said.

The Vienna convention holds operators of nuclear power plants responsible for accidents and charges them with financial security to cover the costs brought on by an accident, mainly in the form of insurance. It also charges the signatory state with ensuring through legislation that nuclear plant operators are insured or otherwise financially secured against accidents.

### Portuguese Prime Minister Meets With Klaus

*LD1608134993 Prague Radiozurnal Radio Network in Czech 1300 GMT 16 Aug 93*

[Text] Agreements on the prevention of double taxation, the protection of investment, the repatriation of profit, and economic and trade cooperation were the items on the agenda of talks held by representatives of the Czech Republic with the Portuguese delegation headed by Prime Minister Anibal Cavaco Silva in Prague today.

At a news conference after the end of the talks, Czech Prime Minister Vaclav Klaus said that during the meeting the Czech side had stressed trade-related issues and the possibility of opening western markets to Czech products.

Prime Minister Anibal Cavaco Silva stated that both delegations also discussed the stimulation of investment and creation of joint ventures.

### Minister Explains Decision To Keep Uranium Mine

*LD1708155993 Prague CTK in English 1405 GMT 17 Aug 93*

[Text] Prague, August 17 (CTK)—Czech Minister for Industry and Trade Vladimir Dlouhy today gave journalists the government's reasons for deciding to keep the Hamr 1 uranium mine open despite its planned cutback of uranium mining.

This conservation option, approved by the government on August 11, allows for the uranium industry, which is now no longer competitive, to be revived again if need be.

Dlouhy admitted it was difficult to say now whether the conservation option would be more advantageous in the long term than the short term, since no one could predict future uranium prices today.

If prices go up in the second half of the 1990s we might regret a decision to end mining definitively, he said, adding that after 10 to 15 years, it might be much, much more expensive to import uranium than it is to keep on mining it now, even at the price of today's losses.

Uranium produced by Diamo, the Czech state uranium mining company, is sold for 60 dollars a kilogramme on the world market. Diamo is capable of producing it for 52 dollars, but no less. It is thus unable to compete on world markets, where the normal price is about 40 dollars a kilogramme.

Furthermore, Dlouhy explained, uranium prices on the world market were being pushed down by the sale of cheap uranium from Russian Federation supplies, whose prices on the spot market ranged from 20 to 25 dollars a kilogramme.

The Russian Federation has been dispersing its supplies of uranium for some time now. We do not know how long it will continue to do so, and therefore how prices will develop in the future, Dlouhy said.

He said that he would personally try to persuade the Czech Energy Works (CEZ) to buy Czech uranium from now on, claiming that this was not a question of explicit protection of the domestic market.

Dlouhy said the government was aware that if CEZ was prevented from being able to buy uranium at better prices on the world market, it would put pressure on the government and when the question of hitherto regulated energy prices was discussed, it would be able to argue for an increase in price. However, Dlouhy said, he considered this situation to be the lesser of two evils.

He described the approval of the conservation option as the result of consensus achieved between the economic ministers, the management of the state uranium company Diamo, the miners' union, the Czech National Bank and the Ministry of the Environment.

### KSCM Calls LB Party Formation 'Irresponsible'

*AU1608131793 Prague CTK in English 1950 GMT 12 Aug 93*

[Text] Prague August 12 (CTK)—The formation of the Left Bloc (LB) Party, which applied for registration on Wednesday [11 August], was harming the cooperation up to now of the political groups in the election coalition known as the Left Bloc, chairman of the Communist Party of Bohemia and Moravia (KSCM) Miroslav Grebenicek said today.

In the interests of the left and its voters, we consider it irresponsible. It will lead to doubts about the election

programme of the Left Bloc coalition. It will lead not to integration but to destruction, said Grebenicek.

He added that the LB Party was founded without consultation with coalition partners.

KSCM Vice-Chairman Miloslav Ransdorf said that it was not known yet which or how many deputies support the LB's formation. So far, none have left the KSCM. The LB is a citizen's association and in this sense the initiative cannot find support among the membership base of the KSCM or other groups.

Lotar Indruch, chairman of the Democratic Left Party (SDL), said the attempt by some deputies from the election coalition LB, led by Jaroslav Ortman, to create the political party Left Bloc (LB) was an expression of political dilettantism and unsatiated ambitions.

The emergence of the LB Party and the SDL followed the 3rd KSCM conference in June which ended up in the party's split. The reformers, who failed to push through their proposal to rename the party and turn it into a modern left-orientated one, parted with the conservatives. They reached agreement with the Democratic Left (DL)—the KSCM's partner within the election coalition Left Bloc, to create the SDL.

Those wishing unity of the left-orientated forces created the Preparatory Committee of the Left Bloc political party.

### KSCM, SDL Reaction Surprises Ortman

*AU1608124993 Prague CTK in English 1651 GMT 13 Aug 93*

[Text] Prague, August 13 (CTK)—The reaction of the Communist Party of Bohemia and Moravia (KSCM) and the Party of the Democratic Left (SDL) to the effort to create the Left Bloc (LB) political party is incomprehensible, chairman of the LB preparatory committee Jaroslav Ortman said today.

The committee lodged an application for the party's registration with the Interior Ministry on Wednesday [11 August].

KSCM Chairman Miroslav Grebenicek said on Thursday that the formation of the LB party was harming the cooperation up to now of the political groups in the election coalition known as the Left Bloc.

Lotar Indruch, chairman of the Party of the Democratic Left (SDL), said the attempt by some deputies from the election coalition LB, led by Ortman, to create the LB political party was an expression of dilettantism and unsatiated ambitions.

The election coalition Left Bloc consists of the KSCM and the SDL, originally the Democratic Left (DL) movement, which was joined by reformers, who split away from the KSCM after its 3rd conference in June to form the SDL. With 35 seats, it is the second strongest subject in the 200-seat parliament.

Ortman said that the LB preparatory committee had never concealed its plans to form the LB party.

The creation of the LB party preparatory committee has been known for one and a half months, and the committee held a joint meeting with KSCM and SDL leaderships, he said.

He pointed out that Indruch, who criticized the activity of part of the LB deputies on Thursday, today turned to the LB party's preparatory committee and supported the idea to found the party. He only said that movement would be a better term for it than party, Ortman added.

Asked about the future of the group of the deputies elected for the LB coalition, Ortman said that the idea behind the LB is integrational enough for all deputies to be capable of cooperating within it irrespective of their views.

### Ortman: 24 Deputies Endorse LB

*AU1808111993 Prague CTK in English 1524 GMT 16 Aug 93*

[Text] Prague August 16 (CTK)—Some 24 parliamentary deputies have endorsed the Left Bloc (LB), which applied to the Interior Ministry for registration as a political party August 11, said LB Official Jaroslav Ortman at a press conference today.

Ortman said that the LB intends to seek support among voters with left-leaning sympathies who strive for a socially just society and also to halt the disintegration of left-wing groups which became apparent during the last elections of the Communist Party of Bohemia and Moravia (KSCM). The LB wants to aid in integrating the left, he said, and is interested in working with all left-wing parties and movements, but particularly to offer an alternative to those who do not agree with the methods of the KSCM.

### Official Dispels 'Doubts' About CSU Data

*AU1708164293 Prague HOSPODARSKE NOVINY in Czech 16 Aug 93 p 6*

[Article by Ivan Sujan, deputy chairman of the Czech Statistical Office: "Doubts and Reality; Statistical Data on the Performance of the Czech Economy"]

[Text] Some doubts and misunderstandings have occurred in the last couple of months regarding various statistical data on the development of production in the Czech Republic. Data having diverse economic contents and diverse strengths of evidence and data comprising different numbers of economic entities have been blended into one mass. I, therefore, consider it appropriate to clarify some of the data that has been published, as well as the changes and differences in data, and to set right various conjectures and misunderstandings.

The confusion around statistical production data has also been contributed to by the fact that, in addition to

the routine updating of preliminary statistical data, some instances of imprecision in data processing, which had to be subsequently corrected, have also occurred recently. Apart from this, the Czech Statistical Office [CSU] has started experimenting with so-called composite [slozeny] indicators, a method that has not been sufficiently explained. Concurrently, a debate was under way on the independence of statistics, triggered by the resignation of the former CSU chairman. All this has sometimes led to the almost absurd conjecture that original statistical data had been subsequently "improved" at the government's request.

**Preliminary and Definitive Data**

It is an established statistical practice in the world to publish preliminary data as soon as possible after the passing of the period under review. Naturally, this preliminary data cannot be as precise and complete as the definitive data published at a later date, which corrects the preliminary data. In the period of transition toward a market economy, our statistics operate under exceedingly demanding conditions, resulting, first and foremost, from the multiple increase in the number of economic entities. As of the beginning of this year, these difficulties have been compounded by additional problems (change of the system of taxation, federation's partition). The occasionally significant corrections of preliminary statistical data should therefore come as no surprise.

The preliminary figure for the annual decline of industrial production in the first quarter of 1993 was - 8.1 percent. Subsequently it was ascertained that, while converting the production volume into permanent prices, an incorrect deflator had been used, one that only partially reflected the impact of changes in the system of taxation. After correcting the deflator, the annual decline of production in permanent prices declined to - 5.7 percent and, after including statistical statements delivered belatedly, the definitive figure was adjusted to - 4.6 percent. At the same time, it became apparent that the originally used deflator for output in the building industry did not consider sufficiently the growth of wage costs and, after correcting this deflator, the preliminary figure for the annual decline of construction output in the first quarter of the year (- 9.5 percent) was modified in the other direction: The definitive figure shows intensification of the decline to - 13.2 percent.

The preliminary estimate of the annual decline of gross domestic product (GDP) in permanent prices for the first quarter of 1993 had also been slightly corrected—from - 2.4 percent to - 2.2 percent—as a result of an updated estimate of the intermediate product, which is excluded from GDP. Similarly, as in the last two years, the annual decline of industrial production exceeds the decline of GDP, which results from the decline of the disproportionately large share of industry in the Czech economy. Preliminary data for the first quarter of the year have also been updated and supplemented for exports and for retail sales.

All these instances had nothing in common with a deliberate "improvement" of original data but concerned exclusively the substantiated specification of data and the elimination of ascertained mistakes. Individual indicators changed in both directors, even though, for understandable reasons, the improvement of indicators prevailed, owing to the availability of incomplete preliminary data at the beginning of the year.

**Data for Organizations With 25 Or More Employees Is Insufficient**

The CSU provides data for industrial production, the output of the building industry, and retail sales concurrently for organizations with 25 and more employees (data ascertained through monthly statements) and for all economic entities, which includes estimates for organizations with fewer than 25 employees and for private entrepreneurs. It needs to be stressed that only data for all economic entities, including estimates, is relevant for the assessment of the development of production or retail sales. Data for organizations with 25 or more employees is significant only for the purpose of categorization according to branches or groups of commodities or for the purpose of comparison with data on the number of employees and wages, which, for example, for the time being, is being monitored only on the basis of this incomplete sample. Organizations with 25 or more employees currently account for roughly 90 percent of the industrial production volume and only 73 percent of the building industry's output and, while their output is declining, the output of smaller enterprises is growing. Even though only estimates with limited accuracy are available for smaller enterprises, disregarding their production leads to a systematic undervaluation of the development of industrial and building production.

Unfortunately, the table "Development of Economic Indicators," published by the journal EKONOM No. 29/1993 on page 18, only included data on industrial and building production for organizations with 25 or more employees, which undervalued the annual index of industrial production for April 1993 by 1.5 percentage points and for January to April 1993 by 2.3 percentage points. Similarly, EKONOM undervalued data on the output of the building industry for 1992 by as much as 14.5 percentage points (the journal lists an index of 104.8 for 1992/1991 for organizations with 25 or more employees, while the relevant index for all building organizations is 119.3).

**Recalculation for the Same Number of Working Days?**

Data on the so-called "average daily production" or on production "recalculated for the same number of working days" appear in the press from time to time. For example, in an article headlined "The Projected Recovery Has Not Materialized," RUDE PRAVO claims on 9 July, on the basis of such a recalculation of industrial production, that "the May results indicate the, thus far, biggest drop in production since the beginning of the year, by more than 10 percent." For two reasons,

recalculations for the same number of working days are not relevant. First and foremost, they do not take into account round-the-clock operations, whose share in the industrial production of the Czech Republic is estimated at 25 to 30 percent. A change in the number of working days has no bearing on this part of production. Second, the method of recalculating the remaining part of production to determine average production per day may have had its justification in the past when production facilities were operating at almost full capacity. Today, however, the volume of industrial production is determined chiefly by demand and, in view of the significant reduction of demand since 1990, only a small number of major enterprises are running at anything close to 100 percent capacity. A change in the number of working days, compared with the same period of the preceding year, therefore cannot have a substantial impact on the total volume of industrial output. Data on average production per day or indexes recalculated for the same number of working days are therefore irrelevant and misleading.

### Orientational Composite Indicators

Composite indicators, in various modifications, are being used routinely in the world. The CSU has recently been experimenting with two types of composite indicators for orientational model calculations of the development of GDP and industrial output.

For the purpose of the approximation [aproximace] of the development of GDP, five volume indicators have been selected (see table below) that are being monitored on a monthly basis. These indicators have been expressed in terms of basic [bazicky] indexes (average quarter 1990 = 100) and combined, with the help of weightings derived from their share in the generation or use of GDP, into the so-called composite indicator. The quarterly time series of GDP and the composite indicator have then been cleansed of seasonal fluctuations and their dependence has been deduced through regressive analysis. Regressive and seasonal parameters are stored in a computer program, which, after the insertion of the indexes of the five partial indicators being used, calculates the index of the composite indicator and derives from it the orientational GDP index with the appropriate confidence interval. This model calculation can be at the CSU's disposal at least two weeks before the complete processing of the quarterly GDP estimate. Moreover, this calculation can be carried out for individual months as well. For the first quarter of 1993, this calculation indicates an annual decline of GDP in current prices of - 2.0 percent (plus/minus 0.4 percent, with a confidence interval of 80 percent), which comes very close to the CSU's latest complete estimate of - 2.2 percent.

The original model calculation according to the composite indicator, which indicated a decline of GDP by - 5 percent, had been processed using the preliminary results for the first quarter, which, in four out of the five partial indicators used, were worse than the definitive results. It is therefore an instance of misunderstanding when the Czech-Moravian Confederation of Trade Unions, in its study "Basic Development Trends of the Czech Economy" of June 1993, assesses, on page 8, the change from the preliminary calculation of - 5 percent to the subsequently processed complete estimate of - 2.4 percent as a "very surprising denouement," which prompts the authors of the study to express "serious fears about the reliability of CSU products."

**Development of Selected Volume Indicators of the Czech Republic's Economy In Comparable Prices (Annual Changes in Percentage Points)**

| Month of 1993 | Industrial Production[1] | Building Output | Retail Sales |
|---|---|---|---|
| January | - 6.9 | - 23.2 | - 2.7 |
| February | - 3.2 | - 8.9 | + 3.5 |
| March | - 3.9 | - 9.3 | + 2.1 |
| April | - 6.3 | - 0.2 | + 1.7 |
| May | - 2.0 | + 1.4 | + 7.6 |
| June | - 5.0 | + 1.1 | + 6.1 |
| January-March | - 4.6 | - 13.2 | + 1.0 |
| April-June | - 4.6 | + 0.8 | + 5.1 |
| January-June | - 4.6 | - 5.2 | + 3.1 |

| | Exports, Excluding Slovak Republic[1] | Exports to Slovak Republic[1,2] | GDP Estimate[3] |
|---|---|---|---|
| January | - 10.4 | - 46.9 | - 8.0 (plus/minus 1.4) |
| February | - 9.6 | - 32.8 | - 4.4 (plus/minus 1.3) |
| March | + 30.9 | - 15.0 | + 5.0 (plus/minus 1.5) |
| April | 0.00 | - 29.5 | - 3.0 (plus/minus 1.3) |
| May | + 13.2 | - 31.5 | + 3.4 (plus/minus 1.4) |
| June | + 5.6 | - 46.9 | + 0.7 (plus/minus 1.5) |
| January-March | + 5.6 | - 30.3 | - 2.2 |
| April-June | + 5.9 | - 35.7 | + 0.3 (plus/minus 0.4) |
| January-June | + 5.7 | - 33.1 | - 0.9 (plus/minus 0.4) |

**Footnotes**

1. Preliminary data for June, revised export data for January through May.

2. Changes against 1992 related to statistical data on sales to the Slovak Republic, excluding services, with the index of industrial producers' prices used as deflator.

3. Updated model calculations using the composite indicator (with a confidence interval of 80 percent); the figure for the first quarter is the preliminary complete estimate by the CSU's National Accounts Department.

The use of the second experimental composite indicator is based on similar methodological principles. This second composite indicator is being used for the orientational calculation of the development of the Czech Republic's industrial production on the basis of 13 major commodities. Its strength of evidence is relatively lower [than that of the first composite indicator], for various reasons, and we are now working on its improvement. The model calculation carried out with the help of the first version of this composite indicator indicated a 2.1 percent drop in industrial production in the first quarter, which was at considerable variance with the preliminary statistical data, which showed a decline of 8.1 percent. This discrepancy in figures drew sarcastic comments from the press, which even intimated that the government would no longer need the statistical office because it preferred similar model calculations. In reality, it would not occur to anyone in the CSU, even in his wildest dreams, to "replace" statistical data with similar model calculations. These calculations merely served as a signal that the preliminary statistical data would have to be thoroughly checked. As it turned out, this check proved to be warranted and the definitive statistical figure for the development of industrial production in the first quarter, after all the objectively warranted corrections, is - 4.6 percent, which is actually closer to the model calculation than to the original statistical figure.

**Development of Monthly Indicators and GDP Estimates**

Statistical data on the development of volume indicators are currently known for the first six months of 1993. The first five columns of the table include the components of the composite indicator, the sixth column provides the GDP estimate.

As the table shows, April saw, for most indicators, a deterioration of annual indexes, compared with the first quarter, whereas in May the indexes improved in all indicators. As a result, the model calculations of GDP indicate, for April, an annual drop of 3.0 percent and, for May, an annual increase of 3.4 percent (the original calculation of + 2.6 percent for May included, among other things, preliminary data on exports that have meanwhile been revised upward). It needs to be noted, however, that the improvement of 6.4 percentage points in the GDP model indexes for May, compared with April 1993, is due, to a not negligible extent (of + 2.5 percentage points), to the lower base in May 1992, compared with April 1992. In an article on 26 July, RUDE PRAVO unduly emphasized this fact, however. I must state that this May was definitely not good "only because last May had been so exceptionally bad."

The table reveals, furthermore, that the aggregate results for June are not bad. According to the model calculation, GDP increased at an annual rate of 0.7 percent in June. From the viewpoint of the model calculations of GDP, the second quarter as a whole shows a slight increase. However, the calculated GDP growth of 0.3 percent is smaller than the margin of error.

The results for the entire first half of 1993 are to be found in the last line of the table. Most relevant indicators show better results than in the first quarter, as a result of which the estimated annual decline of GDP for the first half has dropped to 0.9 percent (compared with a 2.2 percent drop estimated for the first quarter).

**Trend of the Czech Economy's Performance**

Seasonally adjusted basic indexes of GDP, with the average quarter of 1990 serving as a basis (=100), provide interesting information for the assessment of the current trend of the economic performance of the Czech Republic. This data is still only experimental, in view of the brevity of the available time series (13 quarters), but the ascertained seasonal fluctuations have sufficient regularity.

According to the seasonally adjusted basic indexes, the lowest GDP level (75.3) was recorded in the fourth quarter of 1991. In individual quarters of 1992, the basic GDP index ranged between 78.7 and 81.8. The annual average was 79.7. In the first quarter of 1993, it dropped to 77.7 and in the second quarter, according to the orientational model calculation, it achieved a level of 79.1. For the time being, it is therefore impossible to speak with sufficient reliability either about the bottom of economic decline having been reached or about economic recovery. On the other hand, the development of the basic GDP index also does not confirm the hypothesis that the economic decline continues to exacerbate.

## Movement To Hold Referendum on Silesia, Moravia

*AU1808111793 Prague CTK in English 1526 GMT 16 Aug 93*

[Text] Brno August 13 (CTK)—The Movement For Self-Governing Democracy For Moravia and Silesia (HSDMS) intends to hold a referendum on the administrative status of Moravia and Silesia in the Czech Republic in October, HSDMS Chairman Jan Krycer said today.

People will be asked to send their answers to the HSDMS Secretariat in Brno which will evaluate the results by the end of November. The results—an at least partial expression of the real will of the Moravians and Silesians—will then be presented to parliament which, in Krycer's opinion, should discuss a bill on the administrative division of the Czech Republic no earlier than December.

The total cost of sending out approximately 1.5 million questionnaires with explanatory notes will come to at least 1,750,000 crowns, Krycer believes.

He said he expects to receive some legal and organisational assistance from representatives of the European Parliament Liberal Grouping when they visit Brno for two days in mid-September.

## Bank Claims 'Gradual Partial Recovery' Continues

*AU1708130093 Prague HOSPODARSKE NOVINY in Czech 16 Aug 93 p 2*

[Report by "fr": "The Czech Economic Recovery Continues, the Central Bank Claims"]

The Situation Report on Economic and Monetary Developments by the Banking Board of the Czech National Bank states that the gradual partial recovery of the economy continued as recently as at the end of the first half of the year.

The recovery is indicated particularly by preliminary estimates of the development of aggregate supply and demand. In comparison with the first half of last year, private demand, for instance, increased by 12 percent, and foreign demand by 10 percent. Exports to Slovakia, which are not included in this figure, declined, however, by approximately 24 percent. In May, the total of the two clearing accounts for trade with Slovakia showed a deficit for the Czech Republic. Nevertheless, the deficit of 616.2 million korunas [Kc] was practically eliminated in June.

Supply has been adversely affected mostly by the continuing decline in industrial and agricultural production. This decline is, however, gradually leveling off. The relatively low inflation (0.4 to 0.6 percent per month) indicates, according to the bank, a general balance between supply and demand. During the period under analysis, the continuous growth of the private sector was of particular significance to the economic development of the state. It reached in construction, for instance, 58.4 percent, in the service sector 60 percent, and its share of industrial production grew in the six months from 14.5 to 18 percent.

According to the Czech National Bank, citizens resumed their disposition towards saving, which—to a certain degree—stifled the potential inflationary pressure connected with the excessive growth of wages. While labor productivity stagnated in industry this year, average wages rose during the first five months of the year by 22.7 percent, in comparison with the same period of last year. The volume of insolvency did not change much, according to the bank, in the first half of this year. It is estimated at approximately Kc150 billion.

The total money supply rose by 3.6 percent, or Kc21.4 billion, during this period. A significant cause here was the issue of credits to enterprises and the population, which grew by 10.2 percent (Kc60.2 billion). On the other hand, the surplus in the public budget contributed to the reduction of the money supply. At the end of June, the state budget had a surplus of Kc5.6 billion. On 31 May, the trade balance of the Czech Republic showed a deficit of $60.3 million. There was, however a surplus on the current account ($280.2 million). According to the report, this surplus was created, above all, by revenues from tourism, which reached $260 million.

Direct foreign investment contributed $331.5 million in receipts to the balance of payments in the first half of the year. The foreign currency reserves of the Czech National Bank had reached $2.256 billion by the end of June. The entire banking system has $5.2 billion at its disposal.

Interest rates at the refinance and inter-bank markets declined in June as a result of the lowered discount rate and the compulsory minimum reserves. So far, however, an adequate reduction of the interest rates and profit margins of the commercial banks has not been introduced. The average interest paid on deposits by the four large banks amounted over the given period to 12.3 percent, and interest charged on credit to 15 percent.

## Meciar Discusses Current Issues

*AU1708160693 Bratislava NARODNA OBRODA in Slovak 12 Aug 93 p 6*

[First of three installments of interview with Prime Minister Vladimir Meciar by unidentified NARODNA OBRODA correspondents in Bratislava on 10 August: "It Is Necessary To Depoliticize and Decriminalize Privatization"]

[Text] [NARODNA OBRODA] Mr. Prime Minister, last Sunday [8 August] you accused the media of not giving the government enough scope. We do not know of a newspaper (except, perhaps, two) that would not grant any government member any number of pages to present to the people the government's concept or strategy for overcoming the difficulties facing our citizens. What can be done to counter this information barrier?

[Meciar] No government member objects to criticism. Slovak citizens, your readers, require instruction, high quality commentaries concerning—as you say—bread-and-butter issues. Newspapers have grown used to a specific procedure. They mechanically quote the statements made by various party political representatives—and they belittle all of them. This is also the politicians' fault. We would like to initiate a change to this situation so political entities stop bargaining for their own particular interests and finally begin paying attention to the issues affecting our citizens today.

However, on the other hand, we cannot expect government members to go round all the editorial offices explaining their concepts. Government members work to the verge of exhaustion. We—compared to the Czech Republic—entered into the breakup of the Federation with worse starting points. Federal banks, radio, television, CTK, and many other institutions were simply renamed and became Czech. We had to start building them—that is, some of them—from scratch.

[NARODNA OBRODA] Nevertheless, the majority of citizens do not feel responsible for this on account of their electoral decision. What do you consider to be the most significant successes achieved since 1 January 1993?

[Meciar] I think there is more to this. Following the collapse of CEMA, one thing was vital for us—restoring the markets. We have, in essence, established access to western markets for 1993 and the appropriate agreements for 1994 will be signed in October. Some very interesting opportunities for business cooperation with Russia, certain Arab states, and China are in the offing. The issue merely involves making sure managers, banks, and businessmen know how do make use of the scope the government is creating.

The issue of devaluation: We did not do this for domestic reasons, but for international ones. If we start announcing that we expect to devalue, foreign capital will, of course, willingly stall its initiated projects to wait for it. It is worth waiting for a 10-percent profit. The media is continuing in this campaign. They are advertising another 20-percent devaluation. I have never come across such damage to Czech national interests in the Czech press. In essence, we maintained our currency in international banking isolation for six months. In my opinion, this is a major success.

[NARODNA OBRODA] One so-called malignant problem is improving the flow of money.

[Meciar] Yes. The internal indebtedness of the enterprises in Slovakia is more than 87 billion korunas. Goods are circulating, but money is not. We are taking steps to restore this circulation. It will be painful. This means increased unemployment, a lack of funds for investment, and liquidating enterprises. However, if we did not do this, everything would collapse on us in a chain reaction. Therefore, we are adopting legal norms that make rescue operations possible and we are activating the National Property Fund to take over the debts of promising enterprises that are not to blame for their indebtedness.

[NARODNA OBRODA] Structural changes in Slovak industry is no less painful an issue, but one we have not done much about.

[Meciar] We are burdened by the results of the Stalinist principle that product A has absolute priority over product B. That is, production for the sake of production, not for consumption. The crisis in engineering, especially heavy engineering, is worldwide; the same applies to metallurgy. We must come to terms with this somehow. How? By finalization, by reducing the range of products. This concerns almost all branches, except chemicals. Therefore, we are adopting a law on holding, to make possible the special-interest affiliation of enterprises.

[NARODNA OBRODA] Privatization should be a way out!

[Meciar] If the situation does not change, it does not matter whether it is state or private enterprises that collapse. As far as the social consequences of this reform move are concerned, we are maintaining employment—in essence, at the original level—but output is falling. This means a decline in productivity, which is a very dangerous phenomenon.

We are taking steps to influence the market. If Clinton had not put this into his program, we would have been labelled a postcommunist relic for trying to do so. We are taking a gradual, purposeful sequence of steps that should lead to recovery. Foreign currency development is favorable, but other factors are causing us problems—unwillingness to make structural changes or to enter into privatization. We, thus, automatically cast doubt on ourselves in the international arena: "What do you really want? A return to socialism?"

I would very much like you to understand that propaganda and the government's strategy should find a common language. Not in the interest of any one party or the government, but in the interest of the state, Slovakia. This is a road on which we should meet and agree. A minister will be glad to meet an editor who is critical, but who is a specialist and a partner for him. One who will not seize upon every little word, but will get to the heart of the issue. I am glad to say that there has also been a shift toward objectivity in NARODNA OBRODA.

[NARODNA OBRODA] Mr. Prime Minister, we would like to return to the issue of privatization. Not just because you are also the privatization minister at the moment. This issue will play a decisive role in influencing our future. You are certainly well aware of the situation and the problems, so it is unnecessary to ask dozens of specific questions. What further steps do you consider to be the most important in this sector?

[Meciar] Privatization is essential for changing the structure of industry and the system. Even the structure of people. We need a new tier of so-called white collars. Objective and subjective mistakes have been made so far in the privatization process.

The way it has been implemented so far has meant a huge drain on funds for a mere change of ownership. Nothing has been left for investment or for prospective entrepreneurial changes.

The philosophy of development was short on privatization. We must privatize according to our needs. If I need markets, I offer advantageous conditions to whoever has a network of dealers and access to these markets. If I need funds for investment, I try to attract someone with capital.

We have made many mistakes in privatization. The nuclear power plant in Mochovce is a disproportionally more serious problem than Gabcikovo. We need 40 billion korunas to complete it. The ping-pong game between the state, banks, and state enterprises—as far as the flow of money is concerned—is not solving anything.

[NARODNA OBRODA] The pace of privatization is often discussed.

[Meciar] This is a problematic issue. The chairwoman of the German parliament recommended that I adopt a slower, well-considered course of action, while, in the United States, I was given the opposite advice: Privatize immediately and radically. There, they do not recognize partners who operate with state participation. Privatization should support restructuring as far as production is concerned and as far as the social structure of the employees is concerned. Let us take the printing shops—an example that is familiar to you. They should transfer to the coownership of the opinion-forming dailies in Slovakia. We must differentiate between what to privatize and what not to privatize in the manufacturing sphere. The heavy engineering plants, for example, represent a huge financial asset. No one has such money. Managements solve the problem by deliberately causing the state enterprises to collapse and by creating shareholding companies and limited companies. They skim off the cream, which makes a profit, and they burden the state with the remainder. However, our citizens' money has been put into the remainder! Neither the banks nor the state want it. We also have to find a solution to this problem—by clearing the debts for which the enterprises are not liable, by exchanging equity for capital, and so on.

[NARODNA OBRODA] Interest in privatization from abroad is a particular problem.

[Meciar] Yes, but that is the way it is! What our bureaucracy is capable of doing is not normal. We privatized the MEZ Michalovce plant in two months. However, it took eight months to write off its debts of 36 million korunas, that is, until the prime minister was obliged to become involved in this triviality.

Nevertheless, although there is a general lack of money, it is necessary to ask who should be the privatizer. Privatization by means of the coupon method? It has brought ownership to a large number of citizens, but they are anonymous owners. A factory in Orava convened a general assembly of its shareholders and booked a sports hall; however, those who came along could have been seated in one office.

[NARODNA OBRODA] Nevertheless, we have reports to the contrary. The sports hall was almost filled with shareholders. They came, they were given a hotdog, and they found out that they are completely out of the game. Even if all 20,000 of them had come, the majority would still be held by the representative of an investment fund, which has a couple of thousand more shares.

[Meciar] Coupon owners are owners without even the slightest chance of influencing the running of the enterprise. The investment funds assume responsibility for management in an equally unqualified manner. They are interlinked through their personnel, which enables them to get around the law on the percentage of shares a single fund is permitted to own. I see a way out in employees' shares—to a certain extent—and in selling the enterprise to its management. I repeat, to its management, not to speculators. If the management deliberately caused the enterprise to collapse, it is necessary to automatically and categorically exclude it from privatization.

I suggest privatization by a successful management team in a form of leasing. The smaller portion is paid in cash; an interest-bearing loan is granted for the remainder. However, interest is waived if the owners invest the funds agreed upon in development and if they fulfill their entrepreneurial intentions.

We need to very thoroughly DECRIMINALIZE and DEPOLITICIZE [capitals as published] privatization. We are transferring part of the first privatization wave to the second wave because of speculation. We would like

privatization to cease being an arena for interparty combat—who can bite off more of this attractive morsel.

[NARODNA OBRODA] The criminal aspect of privatization also bothers us and our readers. The legislation that would make it possible to take action is proceeding too slowly. The question is whether it will not already be too late when the National Council, where the Movement for a Democratic Slovakia is the strongest party, approves the necessary laws. Another thing, are we not returning to the original Klaus model, one that does not differentiate between clean money and dirty money and in which money is money and investors are investors?

[Meciar] We have two possibilities: either to maintain the status quo or to privatize by means of the system applied in eastern Germany. This has certain negative aspects, but privatization is conducted with strong support from the state. The Ukrainian method, where enterprises have been turned into shareholding companies with emphasis on employees' shares, has also not achieved its aim. Decriminalization requires more steps. We have already failed in one of them: To push through a law in the National Council of the Slovak Republic that would ensure a person who takes a bribe is punished. If action is also taken against the "giver," we forfeit the chance of taking effective countermeasures. As a rule, these two culprits do not invite other witnesses.

[NARODNA OBRODA] The U.S. FBI—refined agents in fancy sports cars—offer marked bills. No civil servant can accept them twice.

[Meciar] The new law on the police force will also expand our investigative bodies' horizons. However, we are in a paradoxical situation. The privatization minister is the second person to make a decision on a privatization project. The first person to do so is the bank official who promises the credit.

[NARODNA OBRODA] The birds say that this depends more on a 10- to 20-percent buckshee than on the quality of the project—as is the case in banks throughout the world.

[Meciar] Try and prove it! All sorts of people will come to you and complain. But if you mention the Prosecutor's Office and the court—they quickly back off. They will also need credit in the future. However, regarding the Privatization Ministry itself: An antiprivatization monster has flourished. It was a research workplace, not an executive component. Of the 153 staff, 11 were involved in privatization; the others played a service role. We want to reverse this ratio. Specific groups will be responsible for privatization in manufacturing, services, and agriculture. The Supreme Control Office will have a specialized extended workplace here. Privatization should not be conducted incognito as some political entities wish. It has to be under the supervision of the public. You, journalists, should also devote some of your attention to it.

We would also like the trade unions to become more involved. They sometimes try to blame the government for everything. However, they know more about the economic development of their enterprise or about the legality or illegality of certain operations than the government. There should be stronger public pressure for honest privatization. It would help us.

[NARODNA OBRODA] Could you give us some specific examples?

[Meciar] A great many. The example of the privatization of the Stein Brewery, at least. Two heirs—brothers—competed for it. The one from Canada got Slovak citizenship immediately and, thus, a lower price, while the one from Austria did not even meet the basic conditions. Why?!

[NARODNA OBRODA] Let us turn to a political issue. Are you not worried that the putrid ulcer of Wallisgate will swell and spread its infection to Slovakia?

[Meciar] Wallisgate came as a surprise to the uninitiated. When we were in the opposition, I warned Federal President Havel and Vaclav Klaus that the Federal Security and Information Service [FIS] was collecting information that could be used against them. Of course, they were also collecting information against me. Czech politicians trivialized these warnings. According to the information made available to me, the national prime ministers did not receive the legendary screenings of journalists merely due to the FIS' diligence, but at their own request.

As far as the Slovak Information Service is concerned, I am able to state that no Slovak politician is under surveillance. However, effective measures are being taken against organized crime and mafias. After all, this is an avalanche it is necessary to keep under control at the beginning or it will overwhelm you at the foot of the mountain. We are prepared to use all our strength against armed gangs—including armored personnel carriers.

[NARODNA OBRODA] The president of the Harvard Funds is merely, in connection with Wallisgate, a witness; an investigation into his involvement in the case is possible sometime in the future—that is, never.

[Meciar] If we in Slovakia ascertain that someone can be blackmailed, he has to go immediately.

[NARODNA OBRODA] Since we are talking about crime, there are many signs that citizens do not feel safe. They say—we are paying the state, by means of our high taxes, to protect our lives and property. If it cannot do this, we do not need to pay it.

[Meciar] So far, the police are satisfied with the amendment to the criminal law. However, there have already been far too many amendments; a new criminal law and a law on administering punishment are being prepared. Nevertheless, crime cannot be beaten by repressive measures alone. It is necessary to investigate the roots of

crime. However, the crux also lies in prevention. Look at the social groups most involved in crime. The Romanies are in first place. Their representatives met the deputy prime minister and told him bluntly that either the state looks after them or the crime rate will rise.

In addition, the opening up of borders has led to the internationalization of crime. Mafias dealing in drugs, prostitution, arms, alcohol, and cigarettes—all of which are good business—operate internationally.

Unfortunately, the behavior of the rank-and-file citizen is also a source of crime. The state is responsible for crime—I pay my taxes and the state has no reason to ask me to cooperate. A small businessmen pays a lot of money to a racketeering mafia for "protection," but is afraid to ask the police for protection or to help get rid of the gangsters, if only by providing information.

However, in this respect, we are also dissatisfied with the sluggishness of the Prosecutor's Office and with the course of action adopted by the courts. Therefore, it was necessary to legally curtail their possibilities for releasing people on bail.

## KOZ President Denounces Meciar's 'Ignorance'

*AU1708142693 Bratislava PRAVDA in Slovak 14 Aug 93 p 2*

[TA SR report: "Ignoring the Partner"]

[Text] Bratislava—A. Englis, president of the Confederation of Trade Unions (KOZ), described Prime Minister Meciar's letter as obvious proof of his social colleague's ignorance and irresponsible attitude toward finding a solution. In the letter to the Slovak prime minister that he made available to the TA SR yesterday, the KOZ president mentioned that, after the letter was discussed at a 11 August KOZ congress, he was not able to accept the prime minister's reply. A. Englis is of the opinion that V. Meciar did not read his letter before he signed it. In reply to A. Englis' letter, V. Meciar said, among other things, that the government had a detailed program for courses of action in the economic, social, and other spheres. Realistically, however, the state can only implement policy for which funds are available.

## Principles of Anticommunist Law Outlined

*AU1608132393 Prague CTK in English 1752 GMT 12 Aug 93*

[Text] Bratislava, August 12 (CTK)—A bill on the anticommunist resistance, introduced into Slovak Parliament by a group of deputies mostly from the Christian Democratic Movement (KDH), calls Marxism-Leninism a criminal ideology, explained representatives of the party.

The law is intended to ban the activities of political groups that subscribe to this ideology or to ethnic, racial or religious hatred.

If the bill is passed, people who were subject to political persecution between October 6, 1944—the beginning of the Dukla-Carpathian operation during World War II, when former Soviet forces entered Slovakia—and December 8, 1989—the end of communist rule in Slovakia— will be declared members of the resistance.

It applies mainly to those who were subject to deportation, held in concentration camps or enlisted in special PTP [Technical Support Battalions] army units for those not considered politically acceptable. Also eligible are those former political prisoners rehabilitated since 1990. The honour will also be bestowed posthumously.

The authors of the bill have requested that the statute of limitations not restrict legal responsibility for crimes causing death committed by former state service and Communist Party apparatchiks, such as judges, attorneys, investigators, secret police agents and collaborators, and various bureaucrats.

KDH Vice-Chairman Frantisek Miklos said today that the bill was drafted by Ivan Simko, a KDH vice-chairman, and Peter Bernak, an independent deputy, for the Christian Social Union. It will be studied by parliamentary committees in the week starting September 13 and should be put on the next session's schedule.

## SNS Considers First Round of Talks 'Ended'

*AU1608133193 Prague CTK in English 1252 GMT 12 Aug 93*

[Text] Bratislava, August 12 (CTK)—The Slovak National Party (SNS) considers the first round of the coalition talks with the Movement For a Democratic Slovakia (HZDS) to be finally ended, the SNS Deputy Chairman Peter Sokol told journalists today.

But if the HZDS request the SNS, it was ready for further talks, said Sokol.

The SNS Chairman Ludovit Cernak added that it was quite obvious that not the SNS, but the governing HZDS with its minority cabinet needed the coalition.

Yesterday, the HZDS Chairman Vladimir Meciar repeated that it was the SNS's turn and his movement would not push for any further coalition talks.

The SNS has assessed the recent talks, and it has arrived at the conclusion that it committed one fundamental error. It assumed that politics could be conducted honestly, said Cernak. He also said that the Christian Democratic Movement (KDH) took up the most correct position during the talks when it sent a letter backing the SNS attitude towards the law on the internal situation in the Slovak parliament.

According to Cernak, the direction of the future political development in Slovakia is being decided now, i.e. whether Slovakia would move to the centre, left of centre, or whether it would be influenced by left-wing forces.

President Michal Kovac could mediate a solution to the domestic political situation, said Cernak. Meciar's decision to conduct talks with Kovac on the filling of government posts would mean an obvious ending of the coalition talks and also the fact that the HZDS had the silent support of another political party.

### Removal of Bilingual Signs Controversy Viewed

*AU1708125093 Prague CTK in English 1210 GMT 14 Aug 93*

[Excerpt] Bratislava, August 14 (CTK)—The left-orientated daily PRAVDA comments on the removal this week of Hungarian signposts from the South Slovak community of Marcelova. It recalls Wednesday's [11 August] statement by Slovak Premier Vladimir Meciar that his Movement For a Democratic Slovakia (HZDS) supports bilingual names of towns and villages, but is categorically opposed to two names. This means that Bratislava must not be marked as Pozsony, but Dunajska Streda can be called Dunaszerdahely, the paper says.

From this point of view, there should be no objections to the name Marcelhaza because this is the Hungarian transiation of the Slovak original. One of the reasons for the removal, cited officially, was the fact that the signposts stood on the land of the District Road Administration, PRAVDA writes.

But the paper believes that the signposts would have to be removed even if they stood on communal land. Allegedly because the valid legislation allows marking of villages in the official language only and this language is Slovak, PRAVDA points out. [passage omitted]

### Officials Discuss Issue

*AU1708125493 Prague CTK in English 1023 GMT 14 Aug 93*

[Text] Budapest, August 14 (CTK correspondent)—The Slovak Government wants to politically profit from fomenting nationality problems. This can yield a couple of extra votes, but it is a very bad service done to the ordinary people, Ivan Simko said on Hungarian Television last night.

Interview with Simko, deputy chairman of the opposition Christian Democratic Movement (KDH), was part of a the reportage on the removal of Hungarian-language signposts in South Slovakia.

Slovak Transport Minister Roman Hofbauer issued an order on August 3 to substitute bilingual road signposts with Slovak ones even in ethnically mixed communities.

Most of the 600,000 (about 12 percent of the whole population) ethnic Hungarians live in southern Slovakia, along the border with Hungary. Bilingual signposts were among the Council of Europe's recommendations made to Slovakia before it was admitted to the institution on June 30.

Pavol Hagyari, chairman of the nonparliamentary Conservative Party, said that the state of Slovakia's economy was very poor and nothing was functioning. That is why Premier Vladimir Meciar needs to conjure up an enemy and make it responsible for the situation. Before the split of Czechoslovakia Meciar pointed at the Czechs, now he is pointing at the Hungarians.

Miklos Duray, chairman of the Hungarian minority's movement Egyutteles, which has 9 seats in the 150-seat Slovak parliament, said there were at least three figures in the Slovak Government who are not interested in settlement of Slovak-Hungarian relations. They are mainly Hofbauer and Culture and Education Minister Dusan Slobodnik. The third is Meciar who is covering up the two ministers' activity, Duray said.

Another Egyutteles leader, Rezso Szabo called the signposts' removal unlawful. He believes that the Slovak Government is testing how far it can go without the Council of Europe objecting.

If it can get away with the signposts' removal, it will launch further anti-Hungarian moves. These will include a new territorial-administrative arrangement of Slovakia, which will break the compactness of Hungarian settlement.

Hofbauer, with whom Hungarian Television also wanted to make an interview, apologised saying he was very busy at the moment.

### MKDH Reacts to Removal

*AU1708142493 Bratislava SLOVENSKY DENNIK in Slovak 13 Aug 93 p 3*

[TA SR report: "Diverting Attention"]

[Text] Bratislava— "We have to state, with astonishment, that even signs that are several meters behind the official Slovak name of the village are being removed." This is what Vojtech Bugar, Hungarian Christian Democratic Movement [MKDH] chairman, said yesterday in connection with the letter (of 14 July) from the Ministry of Transportation, Communications, and Public Works to directors of the District Administration of Roads (OSC), in which it has been ordered that, by no later than 31 July, flaws in the vertical [zvisly] signs should be eliminated according to the law.

The MKDH chairman said that, after the first "sign war" five months ago, there was an oral agreement concluded between Interior Minister Jozef Tuchyna and Hungarian representatives. According to him, signs that do not contradict the traffic regulations should be allowed—that is, they should have an informative character, be on a blue background, and should not be placed on the same pole as the official name of the village. If they are at a sufficient distance from the Slovak sign, they will obstruct no one, V. Bugar stressed. According to him, the removal of the signs took place particularly in the Rimavska Sobota and Galanta districts, where OSC

employees removed the signs during the night, since, during the day, local people prevented them doing so. "Signs are village property, and they stole them, in fact," V. Bugar said.

"The sign war" diverts attention from new government bills in the social sphere, bills that have a restrictive character. He expressed astonishment over the removal being carried out shortly before the meeting of the National Council of the Slovak Republic committees that could discuss the said problems on the basis of the law dealing with bilingual signs.

## Attempts Made To Explain Discrepancies in Czech Data

*AU1708181393 Bratislava PRAVDA in Slovak 16 Aug 93*

[TA SR article: "Whose Data Are More Correct?"]

[Text] Bratislava—The recent data on the foreign trade of the Slovak Republic were affected by the fact that, after the division of the CSFR, technological facilities and human potential remained in the Czech Republic. The Central Customs Administration in Prague was the only place where those data were processed.

This is what I. Skultety, director of the Price, Trade, and Services Department at the Statistical Office (SU) of the Slovak Republic, said regarding the differences between the data on the results of trade between the Slovak Republic and the Czech Republic. A similar workplace was built at the Central Customs Administration (UCS) of the Slovak Republic as late as in January this year. On 5 August, the SU of the Slovak Republic published, in cooperation with the UCS, the results of foreign trade in the first five months, from which it appears that the Slovak Republic has a surplus of 5.8 billion korunas, according to the country of destination, and a deficit of 1 billion korunas, according to the country of trade. [sentence as published] The Czech Statistical Office (CSU), however, gives the Czech Republic's surplus of 3.5 billion korunas. To account for these differences, there was a meeting at which representatives of the Slovak Republic pointed to significant differences in the CSU's documenting of some commodities imported to the Slovak Republic by Czech firms. They are namely commodities from Russia (natural gas) and some CIS territories. The problem also lies in the fact that the Czech side has "estimated" the January results, while the Slovak side based its data on unified customs declarations that were actually processed. In accordance to the agreement concluded within the framework of the Customs Union Council, the Slovak Republic and the Czech Republic are expected to pay priority attention to imports as on 1 July, and to agree on the deadline for drafting a unified customs declaration form.

### Appeal to UN Over Ships on Danube

*LD1708114893 Budapest Kossuth Radio Network in Hungarian 1000 GMT 17 Aug 93*

[Excerpt] There are no further reports on three Hungarian ships which are currently in the Serbian section of the Danube. The Csepel, which was held up earlier, is already sailing home. The other two ships belonging to MAHART, are held up in Belgrade and Bezdan. MAHART reported that an official Hungarian move is expected. It has now happened.

The foreign affairs spokesman has announced that an appeal has been made to the UN Sanction Committee. The UN committee is expected to deal with the Hungarian complaint tomorrow. Miklos Keleti reports from the Foreign Ministry.

[Keleti] Hungary has appealed to the UN Sanction Committee regarding the Hungarian ships being held on the Serbian section of the Danube, the foreign affairs spokesman announced. Earlier, Hungarian officials informed the Serbian authorities about the ships' intention to pass and even now they are doing everything through bilateral channels in the interest of the ships.

Janos Herman said that Hungarian authorities act in the spirit of international sanctions when checking ships sailing to the rump Yugoslavia. Therefore, according to the Hungarian Foreign Ministry, the two matters cannot be linked.

The UN committee will deal with the Hungarian complaint tomorrow. [passage omitted]

### Minister Sees No Military Threat From Yugoslavia

*AU1708125893 Budapest MAGYAR HIRLAP in Hungarian 16 Aug 93 p 5*

["B.J."-signed interview with Defense Minister Lajos Fur in Fertorakos on 16 August: "No Military Attack Threatens Hungary Today"]

[Text] At the Europe Day festivities in Fertorakos, our correspondent asked Defense Minister Lajos Fur about the possible implications for Hungary of the situation along our borders.

[Correspondent] Here we are celebrating Europe Day, while many people think that Europe is falling apart and the conflicts have become almost uncontrollable....

[Fur] I think this formulation is too strong. I would rather say that we can see various spheres of interest in the internal relations in Europe, and controversies sometimes emerge between these state or national interest spheres. However, in my opinion, we cannot speak of Europe falling apart, but we must see that everyone is facing a radically changed situation, and it is understandable that some countries sometimes see the way forward differently. I think we will also have to count on greater or lesser political tensions in the future, mainly on the minority issue. But Europe must transcend this if it wants to prevent a new catastrophe.

[Correspondent] At the same time, in connection with the minority issue, many people—for example in Slovakia—think that Hungary should not make such a fuss about this issue because it is easy for the politicians in Budapest, but it is the Hungarians living abroad who suffer. What is your opinion about this?

[Fur] I will tell you honestly that I would never dare to give advice or judgment on these issues, because I am outside, I am not there, and I cannot decide. These ethnic Hungarians must decide themselves on these issues, because they are the ones who feel and know what is allowed and what can be done....!

[Correspondent] Many people are afraid of the recent developments in the Yugoslav civil war, and the possible war threats because of AWACS aircraft flying in our airspace. What is the real situation? What can we count on in the near future?

[Fur] I can declare that, at present, Hungary is not threatened by any danger; so we must continue to face the current situation. The AWACS aircraft will continue to carry out only surveillance flights; in addition, they will carry out the same tasks that they have been doing so far, on the basis of the UN resolution. Whatever happens, there can be no military threat to Hungary. At least at the moment, I can calmly declare this!

### Border Violations Increase in 1993

*LD1608103193 Budapest MTI in English 0911 GMT 16 Aug 93*

[Text] Budapest, August 16 (MTI)—Border violations were up by 1,000 in the first seven months at 16,000, compared with the same period last year, Lieut.-Gen. Balazs Novaky, commander of the Hungarian border guard, told a public forum at Balassagyarmat in northern Hungary, last weekend.

However, the market for human smugglers had shrunk because those who wished to cross the border preferred to try it on their own at border stations, using a false passport or hiding in a car. Eighty per cent of them were arrested by Hungarian border guards and the rest by authorities of neighbouring countries, Novaky said.

Meanwhile, smuggling stolen cars over the border was becoming a risky business, as the Hungarian border authorities, composed mainly of professional soldiers, knew the latest tricks of gangs.

This year, border guards found 202 stolen cars, against 47 last year. Car smugglers from former Yugoslavia were particularly active, but their colleagues from Slovakia and Poland were catching up. Volkswagens, Audi-80s and some types of Mercedes, BMW and Fiat were most popular.

## Military Security Official Views Intelligence Activity

*AU1708123093 Budapest MAGYAR NEMZET in Hungarian 14 Aug 93 p 7*

[Interview with Karoly Gyaraki, head of the Military Security Office, by Zoltan Vereckei; place and date not given: "Small Country, Small Intelligence"]

[Excerpts] [passage omitted] [Vereckei] When hearing about the Military Security Office, a citizen immediately thinks of counterintelligence. Is counterintelligence your sole activity?

[Gyaraki] Far from it. Counterintelligence is only one of our activities, albeit a major one. According to the relevant government regulations, our activity also focuses on defending the constitutional order, discovering and preventing crimes against the state and humanity, rebellion, escaping abroad, threats to combat readiness, terrorists acts, the hijacking of aircraft, the spreading of false rumors, and the damaging of the community. It is also the task of the Military Security Office [KBH] to protect special installations of the Hungarian Army and especially important persons in sensitive jobs, with their consent.

[Vereckei] The front lines were clear before the change in the regime. What is the situation today? Who is spying on Hungary and to what extent? Do we have any secrets at all? Hungary is not a military power, it does not have modern military technology and it does not have nuclear secrets either.

[Gyaraki] However, we do have secrets. For example, it would not be fortunate for everyone to know how we would use our forces and troops in the case of possible aggression, and what the training level and combat readiness are of the Hungarian Army. The KBH, and counterintelligence in general, is the organization that admits that it has an enemy image. We regard as an enemy everyone who threatens our constitutional order by illegal means.

[Vereckei] More concretely, what countries do you have in mind?

[Gyaraki] It is the fundamental interest of every country primarily to know the processes under way in the neighboring countries. Naturally, this demand was not present in its current form during the existence of the Warsaw Pact. [passage omitted]

[Vereckei] What presence do the the great powers have in Hungary?

[Gyaraki] It is not only the great powers but also other countries that also carry out intelligence activity in Hungary. We do not, however, have any proof of this. I hope that this is so because of the political changes and the closer ties, and not because of our inefficiency. I would point out that the relations between the various intelligence organizations have become very close in recent years, primarily in the struggle against the international mafia, illegal trade in arms, and drugs. At the same time, the changes have created great opportunities for foreign intelligence services to carry out intelligence activity against a third country in Hungary. Although this does not affect us directly, we must also deal with it.

[Vereckei] How are your relations with the domestic civilian intelligence organization?

[Gyaraki] Our cooperation is excellent. Depending on the "percentage" of the military or civilian aspect of a given case, we will renounce in each other's favor. Of course, there are also cases in which we work together or provide support to our partner organization, such as in discovering the Gyorkos-type neo-Nazi organization, because Gyorkos's son was a soldier. [passage omitted]

[Vereckei] How many people are there in the KBH?

[Gyaraki] According to the international practice, counterintelligence service personnel makes up about 0.6-0.8 percent of the armed forces. Ours is less than that.

[Vereckei] How do the security officers work in the units? Do their fellow officers know about their real identity?

[Gyaraki] We are not keeping these officers' identity secret: They carry out their duties in close cooperation with their superiors, and not as subordinates. The KBH is a military organization with its own personnel, and its members are subordinates of the head of the KBH. It is also well known that, in addition to their open activity, the security officers also carry out covert activity, mostly in order to prevent or discover major crimes. [passage omitted]

[Vereckei] Regarding the use of intelligence means, does the KBH have to adhere to the same regulations as the civilian intelligence services?

[Gyaraki] Yes. We can only use intelligence means, such as recordings with technical equipment, secret searches, and the surveillance of mail, with permission from the Justice Ministry. However, there are means and methods that are under the jurisdiction of he head of the KBH. [passage omitted]

[Vereckei] During the change in the regime, a constant subject of discussion was whether to replace the personnel at the civilian intelligence services. What happened in your case? Did the old officers remain?

[Gyaraki] After the establishment of the KBH, a committee talked to every employee. In fact, everyone could decide freely on what to choose. Many of them asked to be pensioned off or to be put into the reserves, and this has been carried out. This was part of the reorganization that took place after my appointment as head of the KBH. [passage omitted]

## Leading Politicians View Minority Issues

*AU1708163093 Budapest MAGYAR HIRLAP in Hungarian 16 Aug 93 p 3*

[Interview with Political State Secretary Tamas Katona; Foreign Minister Geza Jeszenszky; Finance Minister Ivan Szabo; Andras Agoston, chairman of the Democratic Union of Hungarians in Vojvodina; and Miklos Duray, chairman of the Coexistence Movement in Slovakia; by Janos Bercsi in Fertorakos on 19 August: "Europe Day '93 in Fertorakos—Without Europe...—We Have Not Learned Anything But Have Forgotten Everything?"]

[Excerpts] On 19 August 1989, as a memorable result of the pan-European picnic, some 962—officially registered—East German citizens were able to leave for Austria and the "free world" at Sopronpuszta, thus breaking through the "Iron Curtain" on the Hungarian-Austrian border. At Fertorakos on 14 August 1993, an event called "Europe Day 1993" was organized in memory of those events of four years ago. Although the organizers did their best to lure the interested people into the cave theater, against expectations, only some 500 people came to Fertorakos. [passage omitted on speeches at event]

We interviewed Foreign Minister Geza Jeszenszky on the future of a Europe that is in turmoil.

[Bercsi] We are celebrating Europe Day in Hungary while the mayor of Marcelhaza in Slovakia is having a bitter fight for the restoration of the place name sign.

[Jeszenszky] In my view, we cannot say that the situation is generally worse or more difficult, because it is well known that in the past we could only have met minority Hungarian politicians deep in the forests. More precisely, such politicians could not have existed. Therefore, this is a relative situation in which the negative signs sometimes gain strength. However, it has to be said that the policies that some people are conductimg against national minorities is anachronistic. Since completely different political principles prevail in the EC, the political program announced by all the former communist countries, namely integration and joining the EC and NATO, can only be implemented if they give up the atavistic politics that only reflect emotions. A chance seems to exist for this because relations among citizens are not so bad in the neighboring countries, including Slovakia. We must trust that the governments of the neighboring countries will also realize their real interests....

At the same time, during our latest report in Slovakia, many people asked me what the Hungarian Government is doing in this situation since it is not wise to offend our neighbors, but some kind of solution is nevertheless needed....

The place name signs have to be restored, this is clear! It is not only I who am saying this; the Hungarian parties in Slovakia and local citizens are also demanding it. Since the Council of Europe has made a quite clear statement on this issue, all this will force them to reexamine this nonsense. [passage omitted]

[Berçsi] Andras Agoston, leader of the Democratic Union of Vojvodina Hungarians [VMDK] left a war situation behind when he travelled here and, unfortunately, he will face the same situation when he returns home. How does the leading politician of the Hungarian minority in Vojvodina see Europe's situation?

[Agoston] In my view, pessimistic people should not deal with politics. Mainly as a result of forced mobilization, a great many Vojvodina Hungarians became panicky and fled the country. However, the majority of people still think that this madness sooner or later will have to end and we are expecting a European settlement. This is what we base our policies on because our autonomy concept actually corresponds to the international efforts aimed at a settlement. We expect that the situation of the Vojvodina Hungarians will also be settled in the near future.

It is certainly true that democratic organizations also exist in Serbia—however, unfortunately, we have the same problem with the Serbian opposition as with the ruling party. Namely, this democratic opposition is not so democratic as to accept the autonomy that we are demanding! Therefore, all in all, we can only expect a final solution to our problem within the framework of the general settlement.

[Bercsi] Looking at it from Serbia, or more precisely, from Vojvodina, how do you see the final outcome of the war?

[Agoston] Naturally, we are always expecting a political solution to the conflict. We are also aware that the national minority issue is low down in importance in this war. At the same time, I am certain that, owing to the fundamental importance of the national minority issue, the situation of the minorities will have to be settled.

[Barcsi] We asked Miklos Duray, leader of the Coexistence Movement in Slovakia, about the forceful removal of Hungarian language place name signs.

[Duray] The situation can certainly be resolved, especially since the current Slovak laws provide an opportunity for a solution—that could even serve as an example for Europe—because none of the paragraphs ban the use of bilingual place name signs. Therefore, the Slovak minister for transport, on his own authority, could resolve this situation through one decree, without Parliament having to amend the law. The problem is due to something else, namely to the lack of political will. This is what leads to the various conflicts and it also means that politics that lacks the intention to find a solution is doomed to failure!

[Bercsi] At the same time, many people in Slovakia think that we should not create such a fuss about this issue because it will be the ordinary people who suffer the possible consequences....

[Duray] Naturally, this is up to individual interpretation, and other people take different views. It is a fact that this issue has been resolved in many places in Europe: Slovenia has bilingual signs everywhere, the same in Finland, and we can even see these in France. For this reason, I think that this issue will have to be resolved but everyone must know that this issue is only a small part of a huge problem! At the same time, this is the most vulnerable point of the absurd and despotic policy of "lack of willingness...."

## Republic Party Proposes Wider Presidential Powers

*AU1708130493 Budapest MTI in English 1006 GMT 16 Aug 93*

[Text] Budapest, 16 August (MTI)—Hungary should set up a Ministry for European Community Affairs, have a smaller but more efficient government, and elect a president with wider powers in a direct ballot, according to the Republic Party's (KP) main proposals for reforming state organizations.

The proposals were outlined last weekend to the press by Parliamentary Deputy Janos Palotas, who is party chairman.

Founded in November 1992, the KP is mainly composed of entrepreneurs. In line with its liberal and pragmatic manifesto, the party focuses on economic issues.

Should the party come to power in the 1994 elections, it would give priority to Hungary joining the EC as soon as possible, which, in Palotas's view, might be somewhere between 1994 and 1998. To attain this, the KP proposes a Ministry for European Integration, which would deal mainly with economic affairs.

The party also presses for major cuts in state administration and improving the efficiency of ministries, which should act as servicing units rather than authorities.

The KP seeks to increase the powers of the president, putting under his control organizations that serve the interests of the whole nation, for instance the central bank and public media.

Increased powers would make it necessary for the president to be elected in a direct ballot, Palotas said. However, he denied that this change would mean a transition from a parliamentary to a presidential system.

## Democratic Left Preparing 67 Draft Laws

*LD1708214293 Warsaw PAP in English 1916 GMT 17 Aug 93*

[Text] Warsaw, Aug 17—The Democratic Left Alliance (SLD) plans to submit to the future parliament 67 draft laws, including new constitution. 16 drafts have already been ready, and 24 are nearing completion, Jerzy Jaskiernia, head of the legislative commission of the SLD state electoral committee, told a press conference here on Tuesday.

Jaskiernia stressed that the president, as a mediator, after having dissolved the parliament could not have possibly joined in political game for the benefit of any party.

While speaking about a six-month break in the work of the parliament Jaskiernia described it as the unusual practice in a modern state and stressed that the SLD considered the adopting of a new constitution as the most significant task of the future parliament.

Jaskiernia also said that some people believed that if SLD entered the government it would have put back the clock of history even though market-orientated direction and social market economy were one of the pillars of the SLD programme.

SLD press spokesman Zbigniew Siemiatkowski said that the SLD was deeply concerned with the fact that the government approved the draft law on the so-called crown witness. "Information connected with actions taken by the Ministry of Internal Affairs and the state protection office towards the Social Democracy of the Republic of Poland (SDRP) and other parties make it necessary to look very carefully at this initiative," he said.

## Survey Shows Democratic Alliance Leads

*LD1708223193 Warsaw PAP in English 2041 GMT 17 Aug 93*

[Text] Warsaw, Aug. 17—The post communist Democratic Left Alliance (SLD) and the Polish Peasant Party (PSL) took an early lead, ahead of the Democratic Union (UD), the Union of Labour (UP) and the Confederation for an Independent Poland (KPN), in a pre-election survey carried out by the Peasant Centre for Public Opinion Research between August 9 and 13.

A total of 19 per cent of those respondents who expressed their will to take part in the elections stated they would vote for the SLD, while 17 per cent supported the PSL.

Former Prime Minister Jan Krzysztof Bielecki, tops the national list of the Liberal Democratic Congress (KLD) for the Sejm (lower house), adopted by the national board of the party on Tuesday. Other KLD leading figures Donald Tusk, Janusz Lewandowski and Jacek Merkel occupy following places on the list that includes 100 names, not only KLD members.

Chairman of the National Representation of Pensioners Wojciech Kukulka announced on Tuesday that the representation would field 5 candidates for parliament on the national list of the SLD. Members of 29 organizations affiliated in the Pensioners' Representation may stand the elections also on tickets of other parties, he added.

According to Kukulka, the National Representation of Pensioners is not connected with any political option and its main objective is to create a strong parliamentary lobby to defend the interests of pensioners.

The SLD list will also include candidates of the Polish Socialist Party (PPS). PPS Leader Piotr Ikonowicz announced on Tuesday that 13 candidates of his party would fight the elections of the SLD ticket, 3 on the ticket of the Polish Peasant Party and other 3 on the list of the Union of Labour.

Three PPS candidates, including Ikonowicz, will be named on the sld national list.

Representatives of the Forum of Youth of the Republic of Poland announced at a press conference in Warsaw on Tuesday that eight students, aged 24-30, would stand the elections on the ticket of the Non-party Reform Bloc (BBWR).

## Olszewski on Prospects for KDR, Importance of Elections

*LD1708174393 Warsaw PAP in English 1530 GMT 17 Aug 93*

[Text] Warsaw, Aug. 17—Jan Olszewski, leader of the Coalition for the Republic of Poland (KDR), told KDR candidates for the parliament on Tuesday that the forthcoming elections were a chance to introduce changes in the system started by the round table agreement.

Olszewski said that changes were inevitable in the face of the growing social protest and stressed that the forthcoming elections were the elections of last chance for the Polish democracy.

According to Olszewski, the conditions of the electoral struggle would be difficult for his party as KDR had opponents in the government coalition, namely the Democratic Union and the Liberal Democratic Congress. "We are also threatened by the 'X' party, the Farmers' Self-Defence Union, and in a way by the confederation for an Independent Poland (KPN) which tends to offer unreal prospects to the Polish electorate," stressed Olszewski.

Jan Olszewski considered the fact that the Polish centre right was running separately in the forthcoming elections as both his personal and coalitions failure. He also stressed that the main point now was to make steps consolidating this political camp as it might save Poland.

The KDR leader promised that all KDR candidates would have to present their financial status to electors and appealed on other parties to follow suit.

### Solidarity Rejects Labor Ministry Plan for Labor Fund

*LD1708220993 Warsaw PAP in English 2119 GMT 17 Aug 93*

[Text] Gdansk, Aug. 17—Presidium of the Solidarity national commission on Tuesday rejected the Labour Ministry's plan to deduct 2 percent of worker wages and funnel the money to the labour fund saying that the plan is premature in the situation when real wages are constantly declining.

The presidium also discussed the situation in the Starachowice-based truck factory "Star" s.a. and asked Deputy Prime Minister Henryk Goryszewski for immediate talks with the strikers there.

The union leaders also reviewed the list of Solidarity candidates for MPs before the national commission's approval. It also blamed Donald Tusk, leader of the Liberal-Democratic Congress (KLD), of "making groundless allegations" against the union and suggesting, during the present election campaign, that the union plays a "destructive role." Tusk had said last Monday that the union had happened to break the law and that it has "too many privileges."

### Goryszewski Urges More Open Catholic Media

*LD1708201093 Warsaw PAP in English 1705 GMT 17 Aug 93*

[Text] Warsaw, Aug. 17—Catholic mass media should be open not only to questions of faith and church but also to all problems that contemporary man takes interest in, namely politics, economy and sports, Deputy Premier Henryk Goryszewski told representatives of Catholic mass media on Tuesday.

Goryszewski ranked export-oriented policy among the government's greatest achievements, which includes a change in the exchange rate and consistently pursued progressing devaluation of the zloty.

Also, in his opinion, a change took place in the style of talks of the Polish government with the World Bank "that acknowledged our arguments that Poles are already at the end of their endurance as regards sacrifices linked to the economic reform."

The deputy premier considered neglect in the imports of cereals the main failure of the present cabinet, which brought about a serious rise in prices this year. He added that neither did he manage to improve customs policy.

### Miners Learn About 'Awkward Situation' at Rallies

*LD1708220093 Warsaw PAP in English 2010 GMT 17 Aug 93*

[Text] Katowice, Aug 17—Mass rallies of miners were staged at most Silesian hard coal mines on Tuesday to tell miners about the "awkward situation in coal mines," member of the Solidarity's regional hard coal mining council Miroslaw Karczmarzyk said.

He added that in the remaining mines members of the Solidarity factory commissions told miners through wire broadcasting centres that mines had incurred enormous debts, that individual customers were queuing for coal in front of mines and that the mining and the sale of coal were limited in all companies by the end of 1993.

The miners were also told that this happened so to permit an increase in the share of the wages fund in the overall costs of mines, now amounting to 50 per cent, and to thus create conditions for the Industry Ministry to dismiss 114,000 miners in two and a half years, as announced by Deputy Minister Eugeniusz Morawski in the RZECZPOSPOLITA last Friday, Karczmarzyk said.

Meanwhile, Warsaw heating plants have not been buying coal for almost a month because of higher prices demanded by coal mines. "The acceptance of price terms laid down by mines would amount to bankruptcy," director of the Zeran heating plant Kazimierz Zukowski said.

According to main power engineer of the Zeran heating plant Jerzy Richter, the government is now subsidizing unprofitable coal mines. He said, however, that raising coal prices would make it necessary to increase energy prices for the population.

Besides, trade unionists and representatives of employers from mines, coking, power and steel plants as well as railways discussed difficult payment and supply situation and mutual links between the five main industrial branches in the Katowice province at a meeting organized in Dabrowa Gornicza on Tuesday on the initiative of the board of the solidarity's Silesian-Dabrowa region.

The presidium of the Silesian-Dabrowa Solidarity region decided that it would be possible to solve problems of this region only in a comprehensive way. It said that the government economic or financial decisions concerning only one of the economic sectors destabilized the remaining branches.

Chairman of the board of the Silesian-Dabrowa region Grzegorz Kolosa added that this was exemplified by the present raise in coal prices which, although necessary, caused negative results in metallurgy, coking industry and the Polish state railways. He said that was why Solidarity wanted to bring about negotiations of the government, employers and Solidarity to be held at one table.

## Peasant Alliance Election Program

*LD1808084293*

[Editorial Report] Warsaw TV Polonia Network in Polish at 1925 GMT on 17 August carries another in its series of "Two vs. Two" election programs. On this edition of the 15-minute program, first broadcast on Warsaw TVP Television First Program Network in Polish at 1830 GMT on 17 August, television journalists Grzegorz Miecugow and Jaroslaw Gugala question Gabriel Janowski and Jozef Fraczek, two representatives of the Polish Peasants' Party - Peasant Alliance (PSL-PL), about their party's election plans.

The program opens with a question on why farmers should vote for the PSL-PL and not for the Polish Peasants' Party (PSL) which also represents farmers. Jozef Fraczek answers that all those who think the Peasant Alliance program is good should vote for them. Grzegorz Miecugow says that exactly the same was said by the Polish Peasants' Party leaders. Gabriel Janowski responds that the PL has had its program since 1990 but the PSL members opted for Balcerowicz's program. Janowski stresses he opposed Balcerowicz's program all the time. Jaroslaw Gugala adds that while Janowski was agriculture minister in Olszewski's and Suchocka's cabinets he supported the main principles of Balcerowicz's program. Gabriel Janowski continues to say that this program was largely modified when he was in office. "I have introduced, for the first time, the principle of guaranteed prices for farmers—which used to be consistently opposed. As far as Ms. Suchocka's government is concerned, as agriculture minister, I presented a complex agricultural policy program—the agricultural policy for Poland."

Next, Grzegorz Miecugow asks why people should vote for the Peasant Alliance and not for the Self Defense (Samoobrona) which also relies on farmers. Janowski says that only when members of Self Defense found themselves in trouble after they borrowed large amounts of money did they opt for a very radical program. Grzegorz Miecugow adds that it was Janowski who was in charge of the fund which was to help farmers' indebtedness.

Gugala says that the present agriculture minister has accused Janowski of not spending wisely the money from the fund to restructure agriculture, and farmers often used the money for purposes other than farming.

Expanding on the issue of the fund, Janowski said that Balcerowicz promised low interest rates on credits for farmers but he did not keep his promise and this was what ruined agriculture. Janowski says that neither he himself nor his family profited from this fund and this fund was run according to principles set by the government.

Miecugow pursues the question about the Self Defense election program. Janowski says that he is not familiar with this program and "judging by the leader [Andrzej Lepper] and by other leaders of this group, I cannot judge but I do not expect a good programme."

Talking about the actions undertaken by the Self Defense trade union, such as road blocks, Janowski says that farmers should have the right to protest and he himself is organizing such protests; but they are always legal and without any additional conflicts.

The question deals with the PL's plan to introduce duties on imported goods and minimal prices in agriculture. Jozef Fraczek says their solutions are exactly the same as those which created the wealth of the European Communities, which was to protect the markets from goods from the United States, Australia, and New Zealand.

Janowski adds that Polish industry and not only agriculture have to be protected because these are work places. The more we import, the more Polish workers lose jobs.

Responding to Miecugow's suggestion that the state should first protect all consumers, Fraczek says that "we must approach the problem globally." Janowski adds: "That is what we say and this is our main slogan, let's protect Poland."

## Parties' Foreign Policy Goals Reviewed

*AU1708143393 Warsaw ZYCIE WARSZAWY in Polish 14-15 Aug p 4*

[Article by Igor Janke: "Europe, NATO, Germany, and Russia"]

[Text] The Liberal-Democratic Congress [KLD]:

### Europe Above All

European integration should be the basis of our foreign policy, says the KLD. The liberals believe the process is consonant with Polish national interests. In their opinion, our key economic partners are European countries (during the Jan Krzysztof Bielecki government, the liberals political opponents accused them of pursuing a "subservient" policy toward the FRG). KLD activists assert that foreign policy should be oriented more toward economic gains.

The KLD stresses that Poland should not be afraid of European integration. We are convinced that our state tradition, which is over 1,000 years old, is sufficiently strong and clear-cut that it will not be dissipated in some kind of pan-European amalgam, they say.

Regarding security, the KLD favors Poland's inclusion in NATO and the WEU [Western European Union]. According to the liberals, the best guarantor of European security is NATO, "based on the United States' military and political presence on our continent."

"The liberals, who were represented in the Bielecki and Suchocka governments, favor the foreign policy course pursued by those governments, share responsibility for it, and fully support it," Jacek Kozlowski, the KLD

spokesman, told us. "What we did object to was the rabble-rousing approach to politics displayed by some ministers in the Jan Olszewski government, especially the actions of the head of the Ministry of National Defense, which were pursued without consulting the Ministry of Foreign Affairs. We are also very critical of the conduct of Olszewski himself, during President Walesa's visit to Moscow. Irrespective of who was right in that dispute, engaging in open conflicts does not aid Polish foreign policy," says Kozlowski.

The Polish Peasant Party [PSL]:

**Eastern Markets**

The PSL is in favor of Poland's entry to the EC, but it stresses the need to preserve a balance between EC institutions and its members in order to "maintain the state and national sovereignty of member countries." PSL politicians have, on many occasions, stressed the dangers linked to the integration process in Europe. "It is possible and necessary to renegotiate disadvantageous provisions on Poland's association with the EC in the treaty signed in December 1992," states the PSL document. "Our fascination with the West is apt, because it has money, but an economic interest is solely an interest, and they will, above all, seek to keep out our trucks carrying calves, berries, and currants," believes Aleksander Luczak, one of the party's leaders. "Regarding the economy, the Polish authorities have neglected the markets in the east, which have traditionally provided security for our economy," says Luczak.

Regarding security, the PSL believes that a balance should be maintained. Under the old system, we were a pawn, but blindly trying to change to another system (NATO) is not the best solution either, says Luczak.

The Democratic Union [UD]:

**A Complete Opening Up**

Since its inception, the UD has been the most unequivocal supporter of the policies of the present head of the Ministry of Foreign Affairs. "What Krzysztof Skubiszewski has been doing has opened a historic new chapter in the history of our state," said Bronislaw Geremek, the head of the UD parliamentary Club and of the Sejm Foreign Affairs Commission, in a Sejm speech.

"The UD supports Poland's participation in NATO and the WEU. The United States' participation in NATO guarantees political and military security on our continent. The U.S. presence in Europe is the reason why we consider our bilateral relations to be an important priority in our foreign policy," states the UD program.

"We have to develop close cooperation with Germany, as we perceive our national interest in Germany's integration with all of Western Europe," says the UD.

The treaty on association with the EC is, according to the UD, a consequence of recognizing that "our choice has been that of membership in a world of democracy, peace, and economic progress."

The main principle in our contacts with our eastern neighbors should be to convince them that they are not threatened in any way by Poland. What links us to Russia are security interests and serious economic cooperation, says the UD. "Friendly relations with that great country lie in our interests," write the UD experts.

The Center Accord [PC]:

**Rapidly Into NATO**

"Poland's place is in a Europe shaped by values stemming from Christian and democratic traditions, in the Europe of fatherlands," states the PC.

According to PC politicians, Poland should obtain EC membership as quickly as possible. They point out, however, that this should occur in a way that "respects national interests and traditions." According to the PC, following the collapse of the Warsaw Pact, the only real force defending Europe is NATO along with U.S. forces. Poland's goal is to join NATO, states the PC.

The party states that "Poland and Germany have great chances for reaching agreement and for cooperation." However, it immediately adds: "We expect an unequivocal policy of partnership on the part of Germany regarding Poland and lasting respect for our national interests." Speaking about the need for cooperation with the eastern neighbors, the PC stresses "agreement between Poland and Russia will not be possible without the rapid, efficient, and total withdrawal of Russian forces from our country."

The PC takes a critical view of Skubiszewski's policy course. "It does not initiate developments, but tends to follow up developments initiated by others," thinks PC expert Ryszard Bobrowski. Besides, it is difficult to talk about one foreign policy on the part of Solidarity governments. Security provides the best example of that. When Skubiszewski took over as head of the Ministry of Foreign Affairs, he was in favor of a reform of the Warsaw Pact. As a minister in the Bielecki government, he talked about "Poland's military neutrality." Even later, our foreign service placed the main emphasis on the CSCE security system. "It is only recently that one has begun to talk directly about NATO," says Bobrowski.

Democratic Left Alliance [SLD]: Let's Think About The East

"One should aim to consolidate and institutionalize the structures of the CSCE," says the SLD. The SLD says nothing about the need to join NATO. All it says is that Poland should cooperate with NATO and the WEU until a system of collective security has taken shape in Europe. "Poland's admission to NATO would require a prior

change to the character of NATO, which is connected with the era of political and military confrontation in Europe and the world," we read in the SLD programmatic declaration.

The SLD believes that the key element of the Polish raison d'etat is the establishment of "equal and good" relations with Poland's eastern neighbors, Russia, Ukraine, Belarus, and Lithuania. However, the SLD also underlines the need for integration with the [?European] Communities.

"The lack of coordination in Polish foreign policy is an obvious sign of its weakness," Jozef Oleksy, Social Democracy of the Republic of Poland [SdRP] vice chairman, said in an interview. He claims that Polish foreign policy is experiencing a personality split. According to Oleksy, Poland's attitude toward the European security system and NATO's role is merely a repetition of unfinished Western concepts. "On the other hand," he says," we recently postulated that the CSCE be institutionalized. We cannot make up our minds between one thing and the other."

Oleksy says that the balance between a "return to Europe" and the development of contacts with the East has been upset. "We should never have turned our back on the East completely and relocated the whole of Poland's interests in the West," he says. "It may happen that, in its foreign policy, especially its eastern policy, Poland may act in accordance with the West's expectations. The independence of such a policy would then be called into question."

Ojczyzna [Fatherland]:

**For the Poles**

An effective defense of the interests of Polish citizens at home and abroad and of Polish foreign interests are objectives which, in the opinion of leaders of the Conservative Party, should be added to the list of priorities in Polish foreign policy (The Conservative Party is one of the members of the "Fatherland" Catholic Election Committee). The Conservatives point out the need to bear in mind the nascent dangers in the East. As far as European integration is concerned, the Conservative Party says that Poland should voice its disagreement with "political commitments that conflict with Poland's sovereignty, and social liberties that are difficult for the economy to bear." The Conservative Party says it will undertake action so that Poles inhabiting former USSR republics will have the same rights as the ones enjoyed by ethnic minorities in Poland.

Concern for the rights of Poles living in the East is also underlined by the Christian-National Union [ZChN] in its program. The ZChN also emphasizes the need to pursue an independent Polish foreign policy and preserve partnership and equality in relations with other countries. ZChN politicians have often voiced fears of German domination. "European integration gives Germany a leading role," Marian Pilka once wrote. "Germany's intention is the economic, and consequently political, subjugation of this region. That is also a danger to Poland's position."

ZChN politicians have also criticized the emergence of Euroregions more strongly than anyone else. "We oppose them on account of their immediate and long-term consequences," Marek Jurek told ZYCIE. "The immediate consequences are that Western Pomerania or the Walbrzych part of Silesia will become linked to Germany within the framework of the Sudeten region or Pomerania. The long- term consequence is the total erasure of European borders and the extinction of sovereignty."

The Confederation of Independent Poland [KPN]:

**Together With Ukraine**

"Polish foreign policy lacks variation," claims KPN Vice-Chairman Krzysztof Krol. "One sees a clear bias toward contacts with the EC, while the importance of relations with Ukraine is neglected." The KPN believes that contacts with Ukraine should be the priority of Polish foreign policy.

The KPN would like to see an expansion of the Visegrad group [Czech Republic, Slovakia, Hungary, Poland]. "We should firmly support the idea of Ukraine belonging to Visegrad, even if it means the Czech Republic quitting it as a result."

The KPN would also like to see Belarus and the Baltic states belong to Visegrad. "These countries could act as a bridgehead between Russia and Western Europe," says Krol. "With all these countries being together, it would also be easier to negotiate with the EEC."

The KPN says Poland should cooperate with NATO. Nevertheless, Krol thinks NATO will undergo a weakening. "The United States will not want NATO to become anti-Russian, and yet that is exactly what would happen if Poland were to join it," he says.

The KPN is critical of Foreign Minister Skubiszewski for failing to take political advantage of German unification. The second cardinal error of Polish foreign policy, according to Krol, is the weak support given to independence movements in the East.

The Union of Labor [UP]:

**With The West And The East**

The UP says that, in the new reality, the main aim of Polish foreign policy should be to maintain a balance between independence on the one hand and a dependence on European integration on the other. Therefore, one must avoid a biased Polish dependence on individual countries, especially on great powers and supranational structures.

The UP believes that, in its foreign policy, Poland should maintain the same distance vis-a-vis its eastern and western partners, and cooperate with each region on an equal footing. Relations with Germany should be no different from relations with Russia.

The UP supports membership of the EEC and NATO, but European unification must not perpetuate a division into rich and poor countries. The UP favors the kind of cooperation with the EEC that takes Poland's specific nature into account. The UP warns against any delay in solving social dilemmas, and thus calls for the ratification of a European Charter of Social Rights.

### Government Combats Illegal Border Crossings

*LD1708224293 Warsaw TVP Television First Program Network in Polish 1730 GMT 17 Aug 93*

[Video report—relayed by TV Polonia Network]

[Excerpts] [Announcer] Almost 12,000 people have illegally crossed Polish borders this year. Over 90 percent tried to enter Germany.

[Reporter] Unguarded sections of the border on the west are crossed mainly by Romanians who enter Poland without visas. The border guards have caught almost 6,000 Romanians who tried to cross this year. Citizens of Bulgaria and the CIS are also often stopped. The border with the Czech Republic and Slovakia is illegally crossed mainly by lost tourists, mushroom pickers, and young people who want to have a beer on the other side of the border. Our eastern border is rarely crossed because it is protected by the so-called post-Soviet system on the other side, which consists of entanglements made of barbed wire and metal net with sensors. In addition, there is a belt of plowed soil with observation towers. Despite those obstructions the border guards stopped 400 people this year.

According to the border guards, inhabitants of Asia and Africa are entering Poland with the help of gangs. A crossing of the border costs from $500 to 2,000. Many foreigners try to enter Poland with false documents. [passage omitted]

Since the beginning of this year the border guards have forbidden the entry into Poland of over 30,000 CIS citizens with false invitations and almost 1,500 with false documents. A foreigner caught committing a crime is given an administrative visa and is deported. The border guards officers have issued almost 8,000 of those visas. [video shows scenes from forest; border guards on patrol; border markings; observation tower and wire fences; border guard stamping a passport; display of various travel documents]

## Minister: Train Strike Causing 'Incredible Losses'

*AU1708132093 Bucharest Radio Romania Network in Romanian 1000 GMT 17 Aug 93*

["Exclusive" statement made by Transportation Minister Paul Teodoru on 17 August; place not given: "On the Train Engineers' General Strike"—recorded]

[Excerpts] Following negotiations that were held at Cotroceni Palace in the presence of President Ion Iliescu and with the participation of all representatives of the SNCFR [Romanian National Railroad Company] employees, including those representing the Executive Committee of the Free and Independent Trade Union Federation of Train Engineers of Romania, Chamber of Deputies Chairman Adrian Nastase, Labor and Social Protection Minister [Dan Mircea] Popescu, and myself, we tried to introduce a number of very clearly defined elements into our discussions.

Firstly, the decision of the Supreme Court of Justice [to suspend the train engineers' strike] did not signal that the judicial power of our country favors any of the parties to the dispute, and it was not a decision establishing who is to be blamed or whether the strike was legal or illegal, and so on, as many people have wrongly interpreted it. In fact, that court decision clearly revealed that, considering the major importance of that transportation sector and the manifold negative consequences for our whole economy, it is not acceptable that the labor dispute should be continued in the form of a strike, but rather that it should be ended, after which the parties should continue negotiations to defuse the situation.

The second element, upon which everybody agreed, was that, in view of our country's current economic situation and the additional economically destabilizing effect of the strike action, our abilities to meet the salary demands and the new collective labor contract over 1993-1994 as requested by the protesters are more than limited. Under such circumstances what is left to be negotiated?

After the discussions we agreed upon a new way, which can still be negotiated. That refers to the law-making activity, namely, that by the beginning of next year the government has pledged to forward a draft Railroad Bill to Parliament. Besides other things, that bill is to contain precise stipulations regarding the salary increases of railroad personnel, similar to other such bills governing our railroad transportation since 1910.

The Executive Committee members of the Rail Union Federation requested that they should be involved, together with experts from the Labor and Social Protection Ministry, in the drafting of the bill, including the issue of their salary rights, so as to avoid future labor disputes launched either by the train engineers or other categories of rail personnel.

After the meeting at Cotroceni Palace, the union leaders and representatives of the press came to the headquarters of our ministry, where they organized a telephone conference [with the leaders of the local rail trade unions] briefing them on these matters.

Following our meeting in Bucharest, the union leaders immediately left for Brasov, because, we have to admit, there is a great deal of suspicion, and the people [union members] wished to make sure that whatever they had heard during the telephone conference was really meant by their leaders and that they had not been submitted to any external pressure. That is why at 0200 [2300 GMT] they held another telephone conference in Brasov, at Union Federation Headquarters, during which their leader, Mr. Ioan Vlad, reiterated all the elements that I mentioned before.

During the early morning hours the situation continued to be unclear because some of the local union leaders expressed their readiness to resume work, after which they did indeed go back to work. However, later, owing to certain telephone calls or certain appeals that they had received, many union members adopted a wait-and-see approach, some even reneging on their promise to resume work. First they say that they want to go back to work, and then the next minute they say they have not really decided yet, so, I repeat, the current situation is quite ambiguous. [indistinct passage omitted]

The losses of the various companies are growing exponentially. We are facing incredible losses and that is why the continuation of this situation cannot be tolerated. All of us should continue efforts to see that work is resumed. It is a matter of common sense, which affects each and every citizen of our country, because, above all, we are all citizens of Romania and we should behave as such, regardless of any reasons that drive us in some direction or another.

## Government Threatens Strikers

*AU1708162693 Bucharest Radio Romania Network in Romanian 1500 GMT 17 Aug 93*

[Text] Today, 17 August, the Executive Bureau of the Romanian Government held a meeting and examined the situation of the strike of the Free and Independent Trade Unions of Train Engineers and Assistant Train Engineers, a strike that is unfolding without observance of the country's laws and without respect for the decision of the Supreme Court of Justice.

Proceeding from the fact that, at this critical moment, the continuation of the strike is a flagrant violation of the decision of the Supreme Court of Justice, is exacerbating the damage being caused to the national economy—a great part of it with serious international implications—and is creating great dissatisfaction and difficulties for the population, the Executive Bureau of the Government established the following:

The directors of the regional railroad stations together with heads of depots and terminals will call upon all train engineers and assistant train engineers to return to their workplaces and resume their work today, 17 August

1993, before 2000 local time [1700 GMT]. The individual labor contracts of those train engineers and assistant train engineers who by 2000 hours have not returned to work and resumed their duties will be immediately terminated, in accordance with the provisions of Article 130, section i of the Labor Code, and they will have to support all the consequences stipulated by the law.

The directors of regional railroad departments and heads of rail depots and terminals will take all necessary measures and see to it that train engineers and assistant train engineers whose labor contract is terminated, immediately leave the premises of the respective depots and terminals and their access to the respective premises will no longer be permitted.

The territorial law enforcement agencies, namely, the police and the gendarmerie, will actively support the leadership of depots and terminals upon request by the respective leadership to evacuate those persons who carry out acts of disorder and disturb public order.

Likewise, the law enforcement agencies will take active measures to maintain the protection and security of the railroad stations, depots, and terminals. Those retired train engineers and assistant train engineers who are capable of work, as well as those persons who are provisionally employed with the railroad and wish to support the country in these very difficult moments with their serious consequences on the population, are requested to come to the offices of the regional railroad departments or depots with a view to being employed there and start working on the reestablishment of normal railroad traffic.

## Cosin Union To Support Strikers

*AU1708174993 Bucharest ROMPRES in English 1552 GMT 17 Aug 93*

[Text] Bucharest, ROMPRES, 17/8/1993—In a press conference on Tuesday, the leader of the Independent Not-Affiliated Trade Unions Confederation (Cosin), Pavel Cezar, criticized the way the government handles its relations with the trade unions. "The government summons the trade unions rather to inform them about acts already approved, leaving the unions no chance to consult their experts for shaping a standpoint. If the government continues in this manner, the Cosin Federation will not attend any longer the Government-Trade Unions Joint Commission nor the Indexation Commission."

The Cosin leaders told the press conference that the federation would support the Wednesday rally organized by the Railroad Engineers Trade Union Federation as well as the claims of the trade unions of "Dunacord" Braila and "Proiect Bucuresti."

## Nastase Comments

*AU1708212793 Bucharest ROMPRES in English 1714 GMT 17 Aug 93*

[Text] Bucharest, ROMPRES, 17/8/1993—The executive president of the Social Democracy Party of Romania (PSDR), Adrian Nastase told the press at the weekly news conference of Tuesday, 17 August, that the engine-drivers' strike was "a labor conflict inside the National Railway Corporation (SNCFR)" and that it had no direct connection with the government. The government's role, just like in the case of the country's president, he said, is to mediate, and the conflict could be solved only through an agreement of the railwaymen with the other five sectors of activity in their branch. He found the Monday [16 August] talks between President Iliescu and the strikers as "steps forward, but not enough so" in solving the conflict, and said a beginning had been made by some depots and repair docks resuming work.

## Government Communique Condemned

*AU1708205193 Bucharest Radio Romania Network in Romanian 1900 GMT 17 Aug 93*

[Text] A communique of the National Consultative Council of the CNSRL [National Confederation of Romania's Free Trade Unions Confederation] and Cartel Alfa was faxed to us today. The communique states: In the information broadcast through the mass media in connection with today's meeting between the government and the CNSRL, Fratia, Cartel Alfa, BNS [National Trade Union Bloc], and Ceres, only the statements made by Prime Minister Vacaroiu regarding the situation created by the strike of train engineers were mentioned. It failed to note that the representatives of these confederations requested that abusive, illegal, and inhuman measures or measures that would continue to aggravate the current state of conflict should not be adopted, while asking for drastic and immediate penalization of the SNCFR [National Romanian Railroad Corporation] leadership. The government thus gave the public the false image that through silence we allegedly accepted the measures that were to be adopted.

The decisions to terminate labor contracts, even if based on the provisions of Article 130, Section I of the Labor Code, are in fact legal methods of attack and through their nature would lead to the escalation of the conflict. These measures, together with the measures regarding the immediate employment of retired persons, are at variance with both the spirit of the law of collective labor conflicts and with trade union rights and freedoms. Therefore, we protest against these incorrect procedures used by the government and we draw attention again to the fact that such measures will be received by employees as having an anti-trade union character and will increase the labor conflict.

The communique is signed by Messrs. Victor Ceorbea and Miron Mitrea, on behalf of the CNSLR Fratia and by Bogdan Hosu, on behalf of the Cartel Alfa respectively.

## Ministers Hold Talks With NATO Officials

*AU1608203093 Bucharest ROMPRES in English 1624 GMT 16 Aug 93*

[Text] Bucharest, ROMPRES, 16/8/1993—Monday, 16 August, the Romanian ministers of national defense and foreign affairs had successive meetings with the NATO delegation headed by Sir Richard Frederick Vincent, British marshal, chief of the NATO Military Committee, during their two-day visit to Bucharest.

At the meeting with Defense Minister Niculae Spiroiu the sides reviewed the numerous cooperation actions the Romanian Army had had with NATO and WEU states, with the structures of these bodies, and expressed their mutual wish to develop cooperation for the benefit of peace and security.

At the Foreign Ministry, Sir Richard Frederick Vincent said Romania was the country conducting the amplest NATO-cooperation programme and stressed the need for a security zone in Eastern Europe.

Foreign Minister Teodor Melescanu reasserted Romania's wish to become a full member of NATO.

NATO delegation chief and the Romanian Defense Minister told the press about plans for a stronger cooperation between the North Atlantic Treaty Organization and Romania, after the interview with the president.

Sir Richard Frederick Vincent, head of the NATO delegation visiting Romania, said that he, as chief of the NATO Military Committee, was delighted by the reception at the president of Romania. The visit, he said, came at the important moment when the relations between NATO and Romania are growing, their military cooperation being particularly useful.

Lieutenant General Niculae Spiroiu said that among the problems tackled at Cotroceni Palace, the presidential headquarters, was the workshop-meeting due for October in Bucharest, under NATO aegis. "We discussed drills for commissioned officers, for military, at large, training of Romanian troops for the peace-keeping operations and the assistance we need for that purpose."

The Romanian defense minister seized the opportunity to categorically deny speculations in mass media about talks for the deployment in Romania of NATO bases. "We stated clearly that it was no part of the Ministry of National Defense prerogatives and that we had not been authorized by the state's democratic institutions to discuss such matters. The deployment of foreign bases on the territory of Romania falls under the competence of the president, the parliament and the government, not of a ministry. To say nothing of the fact that no such proposals were made to us. Which does not mean that, should the circumstances so require, or requests to that effect be made, the parliament, the president, that is those authorities empowered to make decisions in this respect, will not give due consideration to such prospects."

## Officials View Military Treaty With Moscow

*AU1608183993 Bucharest EVENIMENTUL ZILEI in Romanian 14 Aug 93 p 4*

[Article by Bogdana Paun: "PUNR, PNCDR, and the PD(FSN) Are Against a Military Accord With Russia"]

[Text] "Next fall, Romania and the Russian Federation will sign a military accord at ministerial level" the MEDIAFAX news agency reported in a special broadcast. Niculae Spiroiu, the Romanian minister of national defense, and his counterpart, Pavel Grachev, will sign this document. Considering that it is going to be a document concluded at ministerial level, it will not be submitted to the parliament for approval. It is sufficient if the Supreme Defense Council of the country and the government endorse it.

The accord will be signed in Bucharest, when Pavel Grachev, the defense minister of the Russian Federation, will visit Romania.

Here are some statements regarding this issue:

Niculae Spiroiu: "The accord is not a military alliance. It does not stipulate that we should have common military activities or common military maneuvers. It includes only spheres regarding the exchange of experience in the area of reform in the army, exchanges in the area of training and developing military personnel, cooperation in the area of tourism and others."

Valentin Gabrilescu, PNTCD [National Peasant Christian Democratic Party] senator and vice president of the Defense Commission of the Senate: "Romania must not conclude any military treaty with Russia. If such a document is submitted to the parliament for endorsement, the PNTCD will vote against it."

Ioan Gavra, PUNR [Romanian National Unity Party] deputy and vice president of the Chamber of Deputies: "First of all, this cooperation should not mean subordination. An accord can be concluded only if Russia observes international accords and withdraws its armed forces, because it is an occupation army. Taking into consideration that we are talking about Moldova, it would be absurd to conclude an agreement on cooperation with the Russian Army. If it happens that the treaty is ratified in the Romanian Parliament, in spite of the fact that the aforementioned conditions are not fulfilled, the PUNR will cease supporting the government."

Victor Babiuc, PD(FSN) [Democratic Party-National Salvation Front] deputy, member of the Defense Commission within the chamber of Deputies: "Our orientation should not be toward the East but toward the West. From this point of view, a NATO base is always more welcome in Romania than a convention with Moscow, which would exclude such a possibility."

## PSM Favors Alternative of 'Democratic Socialism'

*AU1608133093 Bucharest ROMPRES in English 0936 GMT 16 Aug 93*

[Text] Bucharest ROMPRES, 16/8/1993—"Romania is neither a capitalist nor a socialist country, and we are living in discord, in a period of social, ethnic or religious conflicts, but what is worse is the lack of prospects," is the opinion of Ilie Verdet, president of the Marxist-oriented Socialist Party of Labour [PSM], considered a forerunner of the communist party within the Romanian political circles of the right. Referring to his party's option for a political and economic system, Ilie Verdet stated: "We the socialists are favouring a third alternative, that of a democratic socialism."

Even if the Socialist Party of Labour is an ally of the ruling party, Ilie Verdet considers the reform promoted by the government as not supported by a political concept and without an "economic substantiation." Even a move towards the opposition is possible, is the opinion of Ilie Verdet, for evolution of economic and social phenomena of late (severe unemployment and inflation, lower productivity and growing social discontent) are making us much "more cautious and distant from the ruling party and the government."

Ilie Verdet is doubtful of the foreign policy promoted by Romania after the revolution in 1989, considering that "an alignment without restraint on a single direction, on the side of some major Western powers, is not taking into consideration the real situation of the ratio of force in Europe and all over the world, putting at threat our interests on a long term." Options of some politicians and their parties for "Romania's adherence to NATO and the creation of military bases on our territory are a nonsense." Romania must regain its economic and political "traditional" ties with its neighbouring states, the republics in the former Soviet Union and the third world countries "always based on equality, equity and mutual advantage."

## Coposu Outlines Need To Reestablish Monarchy

*AU1608203393 Bucharest ROMANIA LIBERA in Romanian 10 Aug 93 p 3*

[Report by Nicoleta Franck: "Statement Made by Mr. Corneliu Coposu After He Was Received by His Majesty King Mihai"]

[Text] "Our party's [National Peasant Christian-Democratic Party—PNTCD] pro-dynastic orientation mainly stems from our conviction that the democratic forces of Romania imperatively need a catalytic element able to concentrate all the democratic institutions that have been crushed by the communist regime. There is no other such factor in Romania but the king." PNTCD President Corneliu Coposu said this after his prolonged audience with His Majesty King Mihai. Their latest meeting has obviously confirmed Coposu's previous opinions about the king.

Besides the main reason behind Coposu's pro-monarchist views, what are the other ones? "Through his whole activity King Mihai has proved that he has a very well organized mind, that he loves his country, and that he is dedicated to the cause of the Romanian nation. He also proved that he is able to adopt the most efficient measures to master chaotic circumstances, which is an exclusive attribute of soberly and seriously thinking statesmen." Coposu then added, smiling: "That is why I told him that we so badly need the restoration of monarchy, that if I were authorized to take such decisions, I would offer a five-year contract to His Majesty to come and stabilize the situation in Romania."

Coposu explained that the issue of reestablishing the monarchy is so urgent because of the various cases of fraud and swindling at all levels, which all have their roots in the fact that there is a complete lack of elementary morality. As an example, Coposu mentioned the bill on the partial and incomplete restitution of land, the so-called bill on the basis of which land is given as a "gift" to the farmers, but which ultimately also compels them to reestablish the old system of collectives, as they are not offered any funds they need to till their plots. If the land bill elaborated by his party would be adopted, Coposu pointed out, Romania would soon become as rich as it used to be.

Coposu then continued with his explanations: "We cannot do without His Majesty being present here because no one else can really offer stability and credibility to the Romanian nation. Considering the confusion we are currently facing, we desperately need stability, and any president of the republic, whoever he may be, would be the representative of a certain political party. He would take sides, and generally he would be the representative of a certain part of the nation, whereas the monarch would represent the whole nation. The tragic passing away of the Belgian king has proved how important monarchies can be in democratic countries."

However, do Romanians know about that imperative need? Are they familiar at all with their real history? A recent message that came from Chisinau [Republic of Moldova] demonstrates that the officials in that country have absolutely no idea about the fact that between 1918 and 1940 Bessarabia [today's Republic of Moldova] was not a part of the Soviet Union [but rather a part of Romania].

"Similarly to the Bessarabians, Romanians do not know their own history either because they do not want to know or they were not offered the possibility to learn about it. The campaign of briefing them all has just been launched."

What possibilities does Coposu see for the return of King Mihai to Romania's throne?

"His Majesty has once more reasserted his determination to return solely as Romania's king, and that he would never accept coming back by means of schemes or by violently grasping power. He will come back only if

the Romanian nation asks him to do so." But how could the Romanian nation formulate such a request?

"They could do so in the next elections which will be held, in my opinion, as soon as next summer."

## ROMPRES Outlines Foreign Investment Bill

*AU1708100593 Bucharest ROMPRES in English 0848 GMT 17 Aug 93*

[Text] Bucharest ROMPRES, 17/8/1993—"Foreign investors can buy from profits or incomes made in Romania assets or goods that should subsequently constitute contribution in kind to increasing the nominal capital of the respective company or to setting up a new commercial company," reads Law number 57/1993, which makes important amendments to Law number 35/1991 on the status of foreign investments in Romania.

Other amendments say that "foreign investors have the right to integrally transfer abroad the annual profits due to them, consistent with the foreign currency regime in Romania, after paying off the rates, taxes, and other duties stipulated by the Romanian law. According to the new wording, "the subsequent acquisitions of goods necessary for investment, the first contribution in cash are exempted from customs duties, and so are the goods used in investment and contributed as participation in kind, after the setting up of the company, serving to raise the nominal capital" [sentence as received]. The law stipulates that "customs duty exemption shall be granted only for goods meant for own consumption, excluding the sale in the form in which they were imported to the Romanian market, and the period of exemption starts with the putting of the investment into operation or with the day of beginning of activity," extending the applicability also to domains of activity other than production.

Another aspect is the change for which exemption is granted of profit tax on various categories of activities. So, "foreign investments made in industry, agriculture, building, and natural resources exploration and exploitation are exempted for a period of five years since the beginning of productive activity, those made in communications and transport for a three-year period, and those made in commerce, tourism , banking, and insurance for a two-year period.

The new law stipulates that the foreign investors who set up commercial companies should actually pay in cash or kind at least 20 percent of the companies' nominal capital, but not less than $10,000.

**Foreign Media Bulletin: Balkan Crisis 18 August**

*WA1808161193*

*The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.*

## SUMMARY

***Bosnian peace talks still deadlocked over boundaries of new republics, Sarajevo ... Muslims, U.S. envoy say Serb troops still on Mount Igman ... Bosnian Army tops UN list of no-fly zone violators; Muslims claim NATO ignoring Serbian flights ... Bosnian Serb commander Mladic accuses NATO of arming Muslims ... Zepce Croats report Muslim massacre of women and children, urge withdrawal of Croatian negotiators from talks, arrest of Bosnian President Izetbegovic.***

## DIPLOMATIC

PEACE TALKS STILL DEADLOCKED: Belgrade Radio reports Bosnian peace talks in Geneva still deadlocked over boundaries of new ethnic republics and Sarajevo, but Bosnian Serb leader Karadzic says particpants "closer than ever" to reaching an agreement. In contrast, Sarajevo Radio quotes Bosnian President Alija Izetbegovic as saying that "no progress" was made at the talks. (AU1708204593, LD1708225793

## MILITARY

SERBS REPORTEDLY STILL ON IGMAN: Sarajevo Radio contends Serbian troops have "still not left their positions" in the forests of Mount Igman, quotes U.S. Ambassador to Bosnia Jackovich as saying he has seen that Serbian forces have "still not withdrawn." UN Spokesman Frewer, also according to Sarajevo Radio, says "last unit of 250 men pulled out" on 16 August. (AU1708184093, AU1708142393, AU1708120593)

BOSNIANS, UNPROFOR ON VIOLATIONS (AFP, Sarajevo Radio): UNPROFOR Commander Cot, according to AFP, reports that Bosnian Army tops list of most frequent violators of UN-imposed no-fly zone over Bosnia. Sarajevo Radio, however, charges NATO planes ignore "constant" Serbian violations and "immediately appear" when Bosnian Army helicopters attempt to "evacaute badly wounded and ill." (AU18O8103493, AU1808104993)

MLADIC ACCUSES NATO OF ARMING MUSLIMS (TANJUG): Bosnian Serb commander Mladic says that when Bosnian Serb forces captured Mount Bjelasnica, they discovered food and ammunition that NATO allegedly had given to Muslim troops. (LD1708121193)

CROATS WANT IZETBEGOVIC ARRESTED (Zagreb Radio, Zagreb TV): Croatian officials in Zepce say Muslims massacred 43 civilians nearby, urge Croatian negotiators in Geneva to withdraw from talks, and demand that Bosnian President Izetbegovic be arrested as a "war criminal" by Swiss authorities. (LD1708135293, LD1708175793)

## Muslims Say Serbian Troops Still on Mt. Igman

*AU1708184093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 17 Aug 93*

[First Corps of the Bosnia-Herzegovina Army report]

[Text] The Igman battlefield has been without combat activities today, with the exception of antiaircraft machine gun and antiaircraft gunfire being aimed from Golo Brdo, on Mt. Igman, at the positions of our units on Tresljivo Brdo.

During the last few days, Mt. Igman has been under the constant supervision of the UN Protection Forces. The white vehicles have been moving continually along Mt. Igman's roads and [word indistinct]. The aggressor still has not left his positions in the forests between Malo Polje and Veliko Polje, Crni Vrh, and [word indistinct].

The blue berets say that they have no means of making them leave these positions. Thanks to this lull, the defenders of Igman are taking a break. Their engineer units are using this time to tidy up their positions. The dark forests of Igman always hide secrets; therefore, the eyes of the defenders are kept wide open to avoid any surprises.

## U.S. Envoy: Serbs on Igman

*AU1708142393 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 17 Aug 93*

[Report by Jasna Mikic on the visit to the Sarajevo district of Dobrinja by Victor Jackovich, U.S. ambassador to Bosnia-Herzegovina, 17 August—recorded]

[Text] The aim of my visit is to see what your living conditions are like here. I think it is truly incredible that you have lived here for a year and a half under such hard conditions and under a siege, and that the world has still not reacted properly, Ambassador Victor Jackovich said during his visit to Dobrinja today.

Although Mr. Jackovich did not want to comment on Berry Frewer's statement yesterday that Sarajevo was no longer under siege, he did say that life is still not normal here, and while it is like that—without electricity, water, gas, and normal deliveries of humanitarian aid—Sarajevo is under a siege as far as they are concerned.

Of course, reporters were interested in his views regarding the aggressor's withdrawal from Igman and Bjelasnica. Ambassador Jackovich said: I was up on Igman yesterday, and I saw for myself that the aggressor's forces had still not withdrawn. I informed my government about that immediately, Jackovich said, adding that the United States was following closely the Geneva negotiations and the situation in Sarajevo, which was of national interest to the United States since, Jackovich said, it was inadmissible that the capital of Bosnia-Herzegovina, a European country, should be under siege for such a long time.

## Ganic Says UNPROFOR Wants To Prevent Military Intervention

*AU1708155293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 17 Aug 93*

[Report by Senada Cumurovic on the news conference by Bosnia-Herzegovina Presidency member Ejup Ganic in Sarajevo on 17 August—recorded]

[Text] [Cumurovic] Mr. Ganic directed a lot of criticism at the international community and the United Nations at today's news conference. [Words indistinct] reporters' questions on the situation in Mostar, Sarajevo, and the Igman area. The situation in Mostar, where there are many refugees, is horrible. Unfortunately, there are no representatives of the international community there. As for the situation on Igman, Ganic said:

[Ganic] [Words indistinct] that the Serbian forces have not withdrawn from Igman. That is [word indistinct] information [words indistinct]. Sarajevo is of course under a siege, and this siege has been intensified recently as a large number of troops that were on Bjelasnica have been moved to the vicinity of Sarajevo. The suffering in Sarajevo continues and [words indistinct]. At the same time, the United Nations in Sarajevo practically does not exist. There are armies of certain countries that are members of the United Nations, but these armies, these forces, behave independently and follow the instructions of their governments. [Words indistinct] their behavior, particularly of the high-ranking officers [word indistinct].

As for the negotiations in Geneva, they are continuing. The EC, represented by Lord Owen, insists that our delegation accepts ethnic cleansing [words indistinct], and also accepts that territories have been conquered in the war. The United Nations (?Presidency) behaves likewise. Therefore, I have a feeling that (?Europe) is legitimizing the results of ethnic cleansing, and that is now the darkest side of these negotiations. This in a way leaves little hope for [words indistinct].

[Cumurovic] Asked what he thought about the agreement on Sarajevo as an open city, Ganic said: That is a trick.

[Ganic] Well, Karadzic's and Milosevic's trick, as they want to escape the pressure exerted by the international community, which (?mostly refers) to lifting the siege of Sarajevo. They intend to divide the rest of the country and leave Sarajevo last. It is something to be divided in the end. Therefore, it is [word indistinct] in the negotiations, so that the international community starts thinking that things have finally started moving with Sarajevo and that in a way the lifting of the siege is near [word indistinct].

[Cumurovic] [Words indistinct] over 2,000 Muslims imprisoned by the Croatian Defense Council in the region of [word indistinct] and Mostar, with the aim of ethnically cleansing that area. Then [words indistinct]

and the situation in Herzegovina. His comment [words indistinct] the UN spokesman, who said that the clashes in central Bosnia were the main reason why humanitarian aid was not reaching Sarajevo.

[Ganic] You see, UNPROFOR is going out of its way to prevent any kind of military intervention—or military pressure—against the aggressor. Such statements are meant to dislocate the problem, to minimize in a way the siege of Sarajevo [words indistinct].

[Cumurovic] After questions concerning (?who it was) behind the campaign against NATO [word indistinct], the answer was slightly less concrete. Ganic mentioned the British Government [word indistinct] military intervention, which was leading an organized campaign to prevent intervention. Asked again, Ganic said:

[Ganic] The examples of the countries of Western Europe [words indistinct] that they would behave very differently if the majority of the Bosnians were not Muslims. That is the first thing. The other thing is that I notice, how should I put it, a kind of resistance by Europe toward coexistence, toward ethnic mixture.

[Cumurovic] [Words indistinct] why the Bosnian delegation went to Geneva at all if it was not satisfied with the policy of the United Nations and the international community.

[Ganic] Because our fate (?is controlled) by the international community. You know for example that the parts of Igman from which the Serbian troops have withdrawn are now (?occupied by the UN members). That means that the people who lived there cannot return up there. Therefore, they said [words indistinct] you do not have food, and if you do not [word indistinct] you will not get any food. We will not give you any food.

[Cumurovic] Since the reporters were mostly interested in the issue of Sarajevo as an open city, Ganic said that Sarajevo [words indistinct] Banja Luka, and some other cities in Bosnia-Herzegovina, but if serious work was undertaken in this direction, then it should be implemented very soon, this idea of Sarajevo as an open city.

## UNPROFOR's Frewer Reacts to Criticism of Siege Statement

*AU1708120593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 17 Aug 93*

[Text] The last unit of 250 men pulled out last night from Babin Do. The Bosnia-Herzegovina Command of UNPROFOR [UN Protection Forces] believes that this act meets the conditions for the continuation of the Geneva talks. This was said at today's news conference at the Sarajevo UNPROFOR Headquarters by spokesman Berry Frewer.

Addressing the security situation in Sarajevo, Frewer said that there was intensified small arms fire yesterday near [word indistinct] in Bistrik and around the Marshal Tito barracks. Four mortars landed near Skenderija yesterday, but the situation is Sarajevo was generally quiet, Berry Frewer reported on the situation in the Bosnia-Herzegovina capital.

I am very sorry if my statement yesterday was interpreted as a negation of all the suffering that the Sarajevo citizens and Bosnia-Herzegovina have been through. As a military person and the UNPROFOR official spokesman, I spoke about the humanitarian situation in the city. There is no doubt that the citizens of Sarajevo have suffered a lot over the 16 months and [words indistinct] throughout the war, UNPROFOR spokesman Berry Frewer said at today's news conference.

Asked whether he was going home, Frewer said: I will stay with the UNPROFOR mission here, carrying out my usual tasks until I receive information or orders to the contrary, Frewer said, confirming that he had learned from the media about the statement in which the state of Bosnia-Herzegovina declared him persona non grata.

Responding to the reporters' insistence on the question whether the siege of Sarajevo was lifted or not, Frewer said briefly: I do not want to comment on that issue any further.

## Bosnian Army Tops UN List of No-Fly Zone Violators

*AU1808103493 Paris AFP in English 1016 GMT 18 Aug 93*

[Text] Zagreb, Aug 18 (AFP)—Of Bosnia's three warring factions, the mainly Moslem Bosnian army most frequently violates a U.N.-imposed no-fly zone over the former Yugoslav republic, according to a UN report issued here Wednesday [18 August].

"From the period 2 July to 15 August 1993, the Presidency (or Moslem) forces have committed 119 no-fly zone violations compared with 42 by the Bosnian Serbs and three by the Croats," said Jean Cot, the commander of the UN Protection Force in Bosnia, in a press release.

Cot did not provide specifics on the violations or the type of aircraft involved.

Compared to the Bosnian Serbs, who are equipped with fighter jets from the former Yugoslav army, the Moslem forces and the Croats have only a small number of helicopters.

Cot said that he and Admiral Mike Borda, commander of NATO forces enforcing the no-fly ban, are considering "the next appropriate steps to be taken to ensure that no-fly zone directives in Security Council Resolution 816 are observed."

The security council on March 31 voted to allow military planes from the North Atlantic Treaty Organization (NATO) to enforce the no-fly zone over Bosnia.

### NATO Accused of Ignoring Serb No-Fly Zone Violations

*AU1808104993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 18 Aug 93*

[Report by Salih Brkic from Tuzla]

[Text] The chetniks are constantly violating the UN no-fly zone resolution, so brazenly in fact that they fly dozens of helicopters at the same time, stirring (?no reaction) from the NATO planes. On the other hand, as soon as helicopters from the Republic of Bosnia-Herzegovina take off to evacuate the badly wounded and the ill, the NATO planes immediately appear, according to the 2d Corps in Tuzla. [passage indistinct]

### Muslims Target UN Transport Plane in Sarajevo

*LD1708140893 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 17 Aug 93*

[Report by Midodrag Stanisic from Sarajevo]

[Excerpt] This morning's incident in which Muslim extremists from Dobrinja opened fire—most likely from an antiaircraft gun—targeting a plane which was taking off at Sarajevo airport, is the top story today.

According to the latest reports, the pilot was forced to return his large transport plane to the runway. This also happened in previous incidents similar to this one. There has been no official confirmation that the plane was hit but it is certain that members of the crew were not injured. [passage omitted]

### Bosnian Serb Commander Claims NATO Arming Muslims

*LD1708121193 Belgrade TANJUG in English 1056 GMT 17 Aug 93*

[Text] Belgrade, August 17 (TANJUG)—NATO is the main supplier of Bosnian Moslems, General Ratko Mladic, the commander of the Army of the Serb Republic, has said, recalling that the Bosnian Serbs' Army has found several tonnes of food and ammunition from the NATO contingent in Moslem depots on Mount Bjelasnica near Sarajevo.

The whole world made a fuss over the capture of Mounts Igman and Bjelasnica by the Serb Republic Army, said General Mladic in an interview published by the Belgrade daily POLITIKA EKSPRES on Tuesday. But the world kept silent last year about a case of former Yugoslav Army soldiers captured and held by Moslems in the cellar of a military facility on Bjelasnica.

After being kept for ten days without food and water, these young men, almost children, were "tortured, massacred and in the end burnt before the eyes of the whole world," General Mladic told the paper.

Local Moslem and Croat units loyal to the Moslem-Croat authorities of Bosnia-Herzegovina committed several massacres over the former Yugoslav Army soldiers withdrawing from the territory of that former Yugoslav republic in spring 1992.

An UNPROFOR [UN Protection Forces] spokesman confirmed on Sunday that the Serb Republic Army had withdrawn from Igman and Bjelasnica, and that its positions on the two mounts had been taken over by UN peacekeeping troops.

In a story published on Sunday, the NEW YORK TIMES confirmed that arms were being smuggled to Bosnian Moslems through a tunnel dug below the ground of Sarajevo's Butmir Airport towards Mount Igman which overlooks the city. A year ago Bosnian Serbs gave Butmir Airport to UNPROFOR for handling relief supplies for the civilian population of Sarajevo.

Another Belgrade daily, VECERNJE NOVOSTI, writes on Tuesday about uncertain fate of the captured Bosnian Serbs forced by Moslems to dig the 600-metre-long tunnel. It reminds its readers that already last May Gen. Mladic warned the then UNPROFOR commander in Bosnia, Gen. Lars-Eric Wahlgren about the abuse of territories under un peacekeepers' control. The paper argues that the tunnel was important for supplying Sarajevo Moslems with arms and ammunition from the Moslem enclaves of Konjic, southwest of the city, and Gorazde, in east Bosnia.

### Croatian Women, Children, 'Mutilated' by Muslims

*LD1708135293 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 17 Aug 93*

[Text] Unprecedented crime was committed by Mojahedin last night in the Croatian village of Kiseljak on the Zepce-Zavidovici road. Muslim soldiers killed and then mutilated 43 civilians, predominantly women and children. Dozens of civilians were taken in the direction of Zenica when the Mojahedin sabotage group was pulling out. They used the Croats as a human shield.

All this happened suddenly, in the dusk, when the Muslim extremists carried out a sabotage onslaught on Kiseljak. Fierce fighting then ensued. The group was routed. So far 11 corpses have been found on the basis of which it can be seen that the crime was perpetrated by the Mojahedin, members of the Muslim army and the Green Legion [Muslim paramilitary group] from Zenica.

Three soldiers of the 111th Croatian Defense Council [HVO] brigade were killed on August 14. The massacre caused severe indignation among the Croats in Zepce because they used to protect the Muslim civilians in that area in the hardest times, while Muslims are still free to move about and live in Zepce. The Zepce HVO is inviting international institutions to come to Zepce, check up on the truthfulness of the allegations, and

condemn the crime which Mojahedin from Arab countries have been perpetrating in the name of Allah and Islam.

### Croats Demand Izetbegovic's Arrest as 'War Criminal'

*LD1708175793 Zagreb HTV Television in Serbo-Croatian 1730 GMT 17 Aug 93*

[Excerpts] The Muslim army has committed another massacre of civilians. [passage omitted]

Perica Jukic, vice chairman of the Croatian Democratic Union of Bosnia-Herzegovina in Zepce, informed the cochairmen of the Geneva conference and Franjo Tudjman about this massacre of Croats. He also sent a message to the delegation of the [Bosnia] Croat nation at the Geneva talks, headed by Mate Boban, asking them to suspend the negotiations with Alija Izetbegovic who should be, as a statement says, tried as a war criminal. Jukic also demanded that international institutions and authorities in Switzerland arrest Alija Izetbegovic and put him on trial as a war criminal because the army under his command committed a massacre of civilians. [passage omitted]

### TANJUG Questions Motives Behind Evacuations

*LD1708143993 Belgrade TANJUG in English 1309 GMT 17 Aug 93*

[Text] Belgrade, Aug 17 (TANJUG)—Spokesperson for the U.N. High Commission for Refugees' (UNHCR) Sylvana Foa stated on Tuesday [17 August] in Geneva that 17 European countries had made "firm offers" for medical treatment of 1,250 wounded and sick children from Sarajevo.

There are 14,000 sick or wounded children in Sarajevo alone, and an estimated 39,000 throughout the former Yugoslav republic of Bosnia-Herzegovina, reports REUTERS.

Foa said the action for salvaging Sarajevo children, dubbed "Operation Irma", will some other Bosnian towns too [sentence as received]. Foreign agencies say it will most probably involve Mostar in Herzegovina and the Moslem enclave of Tuzla in northern Bosnia.

European media on Tuesday give extraordinary publicity to the operation, just as they did in the past two days in reports about the unprecedented scandal involving Western European governments which had used the plight of the suffering children for their own interests.

The scandal exploded at the very start of the operation when only seven children and 14 adults, including wounded Moslem troops, boarded a plane that was supposed to carry the sick and wounded children to London.

U.N. officials have blamed the British authorities for the incident, while the British are throwing the ball back to the U.N. court.

Regardless of what is involved, some European states have again disgraced themselves on the question of Bosnia. Most of the evacuated children are Moslems, with only a few Serbs or Croats, so that Western European media, usually biased towards the Moslem side, have begun wondering why some children receive more favourable treatment in Operation Irma than others, depending on their ethnic background.

### TANJUG Reports 'Shaky Lull' in Eastern Bosnia

*LD1708142093 Belgrade TANJUG in English 1345 GMT 17 Aug 93*

["Pool" item]

[Text] Belgrade, Aug 17 (TANJUG)—A shaky lull is reigning on Tuesday [17 August] along the left bank of the Drina River in eastern Bosnia, while Moslem attacks on Serb positions in the western part of the republic continue, Bosnian Serb military sources report.

Moslem troops on Monday night again violated the latest ceasefire when they opened mortar and small-arms fire on Serb positions about 30 kilometres northwest of Zvornik.

In a strong counter-attack in which they suffered no casualties, the Serb troops repelled the attack, says the local Bosnian Serb command in Zvornik.

The Bratunac area some 100 km to the south was quiet, without the usual sporadic provocations from the Moslem positions.

The local Serb command says several Moslem large formations have been noted in the area of the Moslem enclave of Srebrenica over the past few days. Their further conduct will depend on the outcome of the Geneva peace talks on Bosnia-Herzegovina, the command adds.

In western Bosnia, the Moslems continued attacks on the northwestern section of the Bihac front started on Monday, the local Bosnian Serb military sources say.

The sources report a heavy Moslem infantry attack on Serb positions and civilian targets in the area of Krupa on the Una River.

Moslems are bringing in fresh troops and equipment on the northern section of the Bihac front. The regrouping has been going on for several days, indicating that the Moslems from the Cazin Krajina are preparing new attacks.

Croatian radio in Zagreb reports that Moslem attacks on Croat villages in the Bihac area have entered their sixth day.

The same source reports heavy casualties on both sides.

## Sarajevo Radio Reports Serbian Shelling

*AU1808094893*

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 18 August carries in its regular 20-minute newscast several reports on the fighting in the Republic.

Reporting on the situation in Brcko, Hamiz Deronjic says that "yesterday evening the Serbian aggressor fired tank armor-piercing [pancirni] shells at the central defense positions and the civilian targets on the free Brcko territory. During the night, between 2000 and 2200, the chetniks pounded Dubravice Donje with mortars. At the front lines, the usual artillery barrages initiated by the aggressor in the early evening hours were again dominated by 60-mm and 82-mm mortars, Praga, and Bofors; Omerbegovaca and Vranovaca came under fire from Osa portable rocket launchers and grenades [tromblonska mina]." He says that "NATO flights over this area have not been intensified despite the fact that the Serbian aggressor has never, since the beginning of the war, used his aircraft more frequently. Again last night at about 2130, six enemy transport helicopters flew over the occupied part of the Brcko territory on the Bijeljina-Pelagicevo route."

The Gradacac Information Center reports that "the town was again targeted by enemy artillery yesterday afternoon. The aggressor used 155-mm howitzers against the town center, causing huge damage. As for defense lines, particularly in Lukici, the industrial zone, and Sibovac, the enemy occasionally fired 82-mm mortars along with incessant fire from antiaircraft machine guns. The night was generally quiet, but there were military vehicle movements in all directions of the Posavina corridor, particularly in the direction of Bosanski Samac-Slatina-Gajevi."

In his report from Maglaj, Hajrudin Sermic describes yesterday as "somewhat quieter than the past few days." However, he says, "some 40 shells were fired at the town overnight."

The Bosnia Operative Group reports from Zavidovici that "yesterday a cease-fire was arranged on this front for the exchange of POW's, which was fully respected all day, and the exchange was carried out according to the agreement. However, with the first evening hours the united aggressor started firing with small arms and occasionally with antiaircraft machine guns at the defense lines, firing some 82-mm mortars, too." The rest of the night was "quiet, and so is this morning, except for Rujnica where there is some provocative small arms fire."

The 7 South Operative Group reports from Tesanj that "during the night the enemy used mortars, antiaircraft guns and machine guns, and M-84 machine guns against Miljanovci, Planje, and Sije. Two tanks were reported moving from the direction of (?Zarkovina) toward Vis." As for the Doboj front, the report says that "the defenders experienced another night marked by furious Bofors, self-propelled (?gun) [samohodka], and mortar fire. Matuzici and Mravici also came under fire. This is the 57th day of the complete siege of the free territories of Tesanj, Maglaj, Doboj, and Teslic, and 100,000 people, among whom are some 30,000 refugees, are faced with a complete catastrophe," the report says. The "dramatic" humanitarian situation in the area is then described.

Describing the situation in Olovo, Amira Alispahic says that "last night from their positions in (?Brda) the Chetniks suddenly started firing at the territory using a recoilless gun, 82-mm and 120-mm mortars. Throughout the night the Chetniks used antiaircraft guns and machine guns along the entire front; early this morning our positions were exposed to (?mortars) fired from the Chetnik positions in (?Arapovaca)."

As for the situation in Kladanj, the Bosnia-Herzegovina Army Second Corps Press Center reports that "the aggressor's army from their nests in Hadzici, Doli, Jelacici, and the infamous (?Bljestane) used antiaircraft and small arms against our positions during the night. At about 2240 the Chetniks from (?Bljestane) in the Vlasenica commune shelled the town with a 105-mm howitzer."

## Muslims Attack Serb Positions Around Sarajevo, Doboj

*LD1708221893 Belgrade TANJUG in English 2200 GMT 17 Aug 93*

[Text] Belgrade, August 17 (TANJUG)—Moslem forces on Tuesday [17 August] opened fire on Serb positions around Sarajevo as well as in the area of Doboj in the north and in the north-eastern part of Herzegovina.

Minor Moslem provocations in Sarajevo's suburbs in the afternoon intensified later in the evening when Moslems opened mortar fire and launched infantry attacks.

According to first reports, about ten people were wounded in a mortar shelling of Dobrinja.

Moslems opened fire from mortars, grenade launchers, anti-aircraft weapons and snipers on Serb positions in Lukavica as well as on northern access roads to Sarajevo in Vogosca and Ilijas, said the Bosnian Serb news agency SRNA.

The Bosnian Serb army information service said in a statement that the ceasefire had been violated also in the areas of Doboj, Maglaj and Teslic in the north where Moslem forces resumed attacks on Serb positions. Despite attempts over the past several days, Moslem forces failed to break the defence lines.

Moslems also made provocations in northern Herzegovina while regular army troops of the former Yugoslav Republic of Croatia opened fire from anti-aircraft and

small arms along the entire line of contact in the area of Trebinje throughout the day, said Bosnian Serb army sources.

Bosnian Croat units fired from cannon and machine-guns on Serb positions near Velicina in the valley of Popovo Polje.

The International Red Cross and the United Nations High Commissioner for Refugees (UNHCR) on Tuesday sent from Zenica (eastern Bosnia) new humanitarian convoys for the Moslem enclaves of Tuzla and Zepa.

The Serb side did everything to secure unhindered passage of the convoys through its territory.

### Changes in HVO Armed Forces Command

*LD1708172993 Mostar Croatian Radio Herceg-Bosna in Serbo-Croatian 1600 GMT 17 Aug 93*

[Excerpts] Our reporter Milan Sutalo has spoken to Croatian Defense Council [HVO] armed forces spokesman Veso Vegar about the current situation on the Herceg-Bosna battlefields and personnel changes in the HVO. [passage omitted]

[Begin recording] [Sutalo] Recently the HVO achieved several military successes, is this the result of personnel changes in the military structure of the HVO, and could you please inform the public about the details of these changes?

[Vegar] There are a number of reasons why the situation has improved, something we have long been hoping for. Our people have finally realized how many enemies they have, that they have to be active themselves to protect their homes and their homeland and that nobody will give them freedom as a gift. Of course, personnel changes are always refreshing and new people bring fresh ideas. These are not major changes but they are important: General Slobodan Praljak is now the commander in chief of the HVO main headquarters; former Chief of Staff General Petkovic is General Praljak's deputy; and Zarko Tole is currently the chief of staff. As you know, Tole has spent a long period in chetnik prisons, but as a very experianced officer who scored two remarkable victories against Mladic, he is highly respected among the ranks of the HVO. [end recording] [passage omitted]

### Murders, Hit Lists Alleged in Dispute Between Serb Factions

*AU1708195193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 17 Aug 93*

[Text] According to reports by the Bosnia-Herzegovina Interior Ministry, with the progress of the talks in Geneva the differences between the followers of Karadzic's hard line, which is persistently supported by General Ratko Mladic and Momcilo Krajisnik [chairman of the Bosnian Republic Assembly], and the so-called Banja Luka faction gathered around Vojo Kupresanin and Stojan Zupljanin are mounting.

The latest mysterious murders of Colonel Dragoljub Stamenkovic, commander of 1st Semberija Brigade, and Colonel Branko Zaklan, who were buried in Banja Luka and Luzani, suggest that the followers of Karadzic on one side and of Kupresanin on the other will be merciless in their clashes against each other.

Because of these clashes and murders, rigorous security measures have been introduced throughout the territory of the Srpska republic. General Momir Talic paranoically ordered indiscriminate searches of everybody in the public and military institutions in Teslic. The reason for such a decision by General Talic is that he got hold of a notorious Banja Luka plan about the liquidation of 79 followers of Karadzic's policy on the territory of Doboj, Teslic, and Ozren. Among the names, General Talic also found his own.

Karadzic's followers have not been waiting for the Banja Luka plan with their arms crossed either. They, too, have a special secret organization for silent liquidations that is managed directly by Radovan Karadzic. It is an open secret in the republic of Srpska that their paid assassins on two occasions attempted the liquidation of Vojo Kupresanin and Stojan Zupljanin, the leading Banja Luka politicians. The essence of this is that Radovan Karadzic is opposed to the contacts that Kupresanin and Zupljanin are trying to establish with Tuzla and Bihac out of fear that these two politicians would consolidate their positions and the position of Banja Luka in comparison to Pale. The murder of the commander of the Semberija Brigade indicates that a day is not far when Kupresanin, Krajisnik, Karadzic, Zupljanin, and General Talic will find themselves at the point of the barrels of paid assassins. The only question is who will pull the trigger faster, states the information by the Interior Ministry.

### UN Official Views Mission in Bosnia, Croatia

*AU1708134393 Vienna DIE PRESSE in German 17 Aug 93 p 7*

[Interview with Cerdick Thornberry, "head of the civilian sector and the UNPROFOR police in the former Yugoslavia," by Oliver Vujovic; place and date not given: "UNPROFOR Coordinator: Air Strikes Are Necessary in Some Cases"]

[Text] [Vujovic] Mr. Thornberry, how do you see the situation in the former Yugoslavia after 17 months in the crisis region?

[Thornberry] The situation in Bosnia and Serbia is much worse today than in March 1992. At that time it was peaceful in Bosnia, and Sarajevo was a model of multicultural society. Shortly afterward though, war broke out in Bosnia. In Serbia and Belgrade, the difference is enormous. In 1992 people were still doing fine, but today I see only depressing pictures.

[Vujovic] What sort of future do you see in Bosnia-Herzegovina?

[Thornberry] Today, in August 1993, the situation in Bosnia-Herzegovina is disastrous. Everybody like me who believes in multicultural cooperation among peoples is extremely concerned. Unfortunately, I see no possibility of restoring Bosnia-Herzegovina to a united state in the near future. The division is so decisive that coexistence would be very difficult. It is a tragedy.

[Vujovic] Would military intervention or a NATO air strike end this tragedy?

[Thornberry] We are facing a civil war in which Serbia is clearly on one side and Croatia on the other. When I talked to UN monitors in the Kiseljak region last week, they were very skeptical about the success of an air strike. They told me that they are fulfilling their tasks—supplying the population with food. Currently they do not need air cover to ensure that. One of the commanders made it very clear that his soldiers would undoubtedly be endangered after an air strike. I believe that air cover might not be ideal in some cases but is nevertheless necessary. One must not forget that one can hardly be as strong as those who live there.

[Vujovic] A few months ago, the situation in eastern Bosnia was dangerous, particularly for the Muslims in Srebrenica. For months they did not receive any food and pharmaceuticals. How is the situation now?

[Thornberry] All parties to the war are aware that "the case of Srebrenica" will be an important topic during negotiations. For this reason, peace prevails there—a kind of peace that is frequently being violated. The townspeople's plight is better now than a few months ago.

[Vujovic] How is the situation in Sarajevo?

[Thornberry] I would like to stress one thing: The supply situation is much better than it was a few weeks ago, but one must not forget that winter is approaching. Then the Bosnian population might not be shot to death but freeze to death. Fortunately last winter was not as cold as winters usually are in Bosnia-Herzegovina. We must find a solution before the winter.

[Vujovic] How is the general situation in the individual UN sectors in the former Yugoslavia according to the most recent UN monitors reports?

[Thornberry] In eastern Slavonia war is far away, despite its proximity to the rump Yugoslavia border. Fortunately, the situation is quiet there. In the northern sector, near Zagreb and Sisak, there is the danger of an attack by one or the other side. The most difficult situation is certainly in the southern sector, in Krajina. There it is obvious that the Croatians have not observed the stipulations of the Erdut Treaty. I understand the Croatians' political motivation, but why did they sign the treaty if they did not agree with its contents?

[Vujovic] How do you assess the situation between the Serbs and Croats in Krajina?

[Thornberry] We are trying to persuade both sides to hold direct talks. The current negotiations between the Croatian Government and the Krajina Serbs in Geneva might contribute to that. I have made quite a few trips to Krajina recently, and I believe that the population is simply tired of the war. The tragedies on both sides have shaken me. I do not know how long people can continue to live under the conditions there. Some politicians apparently do not care about their own people's problems.

[Vujovic] Both sides should cooperate. Does cooperation exist at all?

[Thornberry] Cooperation between the sectors and the government in Zagreb is far below the minimum level. It is absurd that Zadar has been without water for nearly two years. And why? Because there is no cooperation. There is no goodwill among the politicians. It should be clear to all sides that this is a classic example of a majority and a minority population. The Serbs—whether they like it or not—are a minority, and they have to live in the same state with the Croatians. In fact, the main interest for both sides should be the economy. We must find a solution that grants the Serbs autonomy. All sides must be given guarantees.

[Vujovic] The big problems are Maslenica bridge, Zemunik airport, the Peruca dam, and some areas south of Knin. What is the situation like there?

[Thornberry] The Croatians must meet their obligations. But the Serbs must also stop their attacks on the Adriatic coast. After a 10-day interlude they have started again because the Croatians do not comply with the Erdut Treaty, as the Serbs claim. If a new conflict should erupt there, we would not be able to control it.

[Vujovic] Croatian politicians have repeatedly demanded that the United Nations withdraw from Croatia. Would this help solve the Croatian problem?

[Thornberry] If the Croats and the Security Council asked us to do so, we would naturally withdraw. Yet one must carefully consider this step. I am really afraid that a withdrawal of the United Nations might exacerbate the situation.

[Thornberry] UN soldiers have recently also been deployed in the former Yugoslav Republic of Macedonia. Should there also be preventive UNPROFOR missions in other parts of the former Yugoslavia?

[Thornberry] Yes. UN monitors might achieve something in Kosovo. But the Serbian government and Serbia's President Slobodan Milosevic would have to make a decision first. We cannot send UN monitors to Kosovo without Milosevic's invitation.

### Army Attacks on Civilian Targets Reported

*LD1708170593 Belgrade TANJUG in English 1630 GMT 17 Aug 93*

[Text] Knin, Aug 17 (TANJUG)—The Croatian Army has renewed its attacks on civilian targets in the south of the republic of Serb Krajina (RSK), the RSK Army H.Q. announced on Tuesday [17 August].

The announcement said that four Serb villages on the northern Dalmatian battlefront on Monday came under Croat mortar and anti-aircraft gun fire, but no casualties were reported.

It added that Croat infantry provocations were reported on the Lika battlefront, while Croat reinforcements were sighted moving into the Gospic region in the RSK border area.

Possible escalation of Croat-RSK conflicts in the Lika area is seen from the news that Croatia is beginning work on a tunnel through Mount Velebit along the Gospic-Zadar communication line which, in one its part, on the Mali Alan pass on this mountain, runs through the territory of the RSK.

The work on the tunnel, linking Croatia's north and south, began in a ceremony held on Sunday, reported the RSK's ISKRA news agency.

The agency added that Croatia needed a fresh hotbed of conflicts, first in the military and then also in the political and diplomatic field.

The RSK was formed in 1991 in the Serb-populated parts of Croatia in response to Croatia's secession from ex-Yugoslavia and its attempted reduction of the status of Serbs to a national minority.

Since March 1992, the RSK has been a U.N. protected area (UNPA).

### Degoricija Meeting With Mediator Praised

*LD1708182193 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 17 Aug 93*

[Text] Talks between Slavko Degoricija, head of a state delegation of the Republic of Croatia for relations with Serbs from Croatian areas under UN protection, and Knut Vollebaek, a high official at the peace conference on former Yugoslavia, were held in Zagreb this afternoon. Tihomir Vinkovic reports:

[Vinkovic] These talks are the continuation of last week's negotiations between representatives of the Croatian Government, Serbs from Croatian areas under UN protection, and officials of the international peace conference.

Following today's talks with Slavko Degoricija, which he diplomatically assessed as useful, Knut Vollebaek told journalists that he had put forward a UN plan for a draft agreement and that he expected the Croatian Government and the local Serbs to examine the agreement and present their remarks. Vollebaek said that together with Geert Ahrens he was to meet Croatian President Dr. Franjo Tudjman tomorrow, after which he would probably go on to Knin for talks with representatives of the Serbs from the Croatian areas under UN protection.

Slavko Degoricija, the head of the Croatian delegation, believes that the proposed plan is a good basis for a more constructive approach towards the entire problem. This agreement would set out tasks and deadlines for their implementation and would provide for the setting up of commissions to monitor who violates the agreement. Basic points of that document would establish the separation line and assign UNPROFOR [UN Protection Forces] the function of separating the forces, Degoricija said.

### US Ambassador Says Prevlaka 'Integral Part' of Croatia

*LD1708223493 Zagreb Radio Croatia Network in English 2105 GMT 17 Aug 93*

[Text] The Prevlaka peninsula is an integral part of the Republic of Croatia, said U.S. Ambassador Peter Galbraith this afternoon, while on a visit to the region. Speaking to waiting journalists in front of a former Yugoslav army barracks on the southernmost tip of Croatia, Ambassador Galbraith announced that his visit to Prevlaka confirms the U.S.'s standpoint concerning the territorial rights of a state that runs from the Danube river to the Kotor Bay.

[Begin Galbraith recording] I have to really ask questions about the people who did this. I mean who are these people? Did their parents teach them about right and wrong, did they know that they were destroying people's homes, destroying people's memories? I mean what sort of people were they? Evidently they were people without any values whatsoever. And what about their political leaders? Did anybody teach the political leaders just over there about values, about right and wrong, because they certainly seem not to have shown any knowledge about right and wrong on this peninsula, up this road, or for that matter over there in Bosnia where today they continue to practice the same kind of atrocities which we saw in this part of Croatia. [end recording]

### Evidence of Muslim 'Subversive' Activity Uncovered

*LD1708191793 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 17 Aug 93*

[Text] As part of their regular duties and activities and in cooperation with the Defense Ministry and the financial police, Croatian Interior Ministry officials have searched a number of premises and people who were justifiably suspected of having set up on the territory of Croatia organized centers for providing logistic support for the Army of Bosnia-Herzegovina, as well as centers for

preparing and planning terrorist and subversive actions in Croatia, the Interior Ministry has announced.

The measures and actions taken revealed that in all large towns in Croatia, there were individuals involved in organized activities and that some of them—and this is of particular significance—used humanitarian institutions as a cover for their activities, the ministry stresses in an official announcement. Dozens of automatic rifles, anti-tank weapons, large amounts of ammunition, eight machine guns and large amounts of mines and explosive devices were uncovered in Zagreb, Bjelovar, Osijek, Slavonski Brod, Varazdin, Rijeka, Split, Ploce, and Dubrovnik.

A powerful radio transmitter was found in a warehouse in the center of Zagreb used by one of the humanitarian institutions. It is yet to be established who the transmitter was used to communicate with.

A large amount of foreign currency, gold, forged documents, blank forms belonging to various government institutions in foreign countries, as well as a number of vehicles with forged documents were also found.

Channels and locations for smuggling mujaheddin from Croatia to other states were also uncovered. Documents were also found for purchasing and transporting weapons, military hardware, and other deadly weapons, the Interior Ministry stresses in its announcement.

All this confirms that some individuals have abused Croatia's hospitality and that by their intolerable activities have undermined the reputation and damaged the work of humanitarian institutions.

In cooperation with other judicial bodies, the Interior Ministry will continue its criminal investigation and will, in the future, take action to safeguard the constitutional and legal system of the Republic of Croatia, the ministry says in conclusion.

### Krajina Serbs Approve Bill on Election of Assembly

*LD1708195693 Belgrade TANJUG in English 1849 GMT 17 Aug 93*

["Pool" item]

[Text] Knin, August 17 (TANJUG)—The government of the republic of Serbian Krajina (RSK) on Tuesday [17 August] approved the texts of a bill on the election of deputies and a draft constitutional amendmment on the election and removal from office of the president of the republic.

The decision opens the way for parliamentary elections to be held in the RSK, naturally if the bill is passed by the RSK parliament at its session in twenty days or so.

The RSK was created out of the predominantly Serb populated parts of the former Yugoslav Republic of Croatia in 1991 because the Serbian people refused to be deprived of its rights and be reduced to a national minority. The RSK has been a U.N. Protected Area (UNPA) since March last year.

RSK Prime Minister Djordje Bjegovic and head of the governmental group of experts for constitutional and legal matters Milan Miljavic told the press that the first round of the multiparty parliamentary elections in the RSK should be held on October 31 and the second on November 14.

The 60-seat assembly is to be elected on the basis of the majority principle. One deputy is to be elected per each 5,300 voters.

The draft constitutional amendment on the election and removal from office of the president of the republic calls for a significant shift from the presidential system of authority to a parliamentary.

Bjegovic and Miljevic underscored the importance of the first parliamentary elections both for the stabilization of the internal situation in the RSK, the easing of tensions and the RSK's democratic image in the world.

Bjegovic and Miljevic said the elections would be held regardless of the situation in which the RSK may find itself. They said the holding of the electcons would 'not be prevented either by Croatia's threats or even possible new war operations.'

Croatia does not recognize the RSK and has since last summer been trying to impose its authority on the U.N. Protected Area by military force.

### Parties, Some IDS Members Disapprove of Radicalism

*AU1708193393 Zagreb VECERNJI LIST in Serbo-Croatian 11 Aug 93 p 4*

[Commentary by M. Bedalov-Bugarin: "A Disunion Within the IDS in Sight"]

[Text] However hard the leaders of the Istrian Democratic Congress [IDS] tried to cover their public appearances with the unity of positions, the party is inevitably threatened by an ideological disunion. On one side are the IDS radicals headed by the president, Ivan Jakovcic, the head of county Luciano Delbianco, member of the management Dino Debeljuh, and his wife, the deputy head of county, Loredana Rogliun-Debeljuh, and on the other is the more moderate fraction headed by the vice-president of the IDS and member of parliament, Ivan Herak, and his colleague Elio Martincic. The IDS radicals are ready for a fiercer fight and disobedience to the Government of the Republic of Croatia, not only because of the five "disputable" state laws, but also because of the "appropriation" of the Opatija area and the islands of Cres and Losinj, because of the transborder quality of the Istria region, because of Istria joining the Union of the European regionalists separately, and so on.

In order to achieve their aims as soon as possible, the IDS radicals are, firstly, preparing a referendum in the Opatija-Cres-Losinj area and the statute of the county of Istria with their own solutions; they are joining the other regional parties of Croatia and Europe, and increasingly asking for their support. To justify their anticonstitutional statute, which is soon likely to become history, they would most like to resort to the referendum of the entire population of Istria, but, at the moment, they look on that with disfavor, so that there are no premature conflicts with the Croatian Government, that is, with other areas of Croatia. The fear of a fiercer conflict, especially because of a possible referendum, is however not displayed at the state level; a more serious disunion is brewing within the IDS itself.

The popular IDS expert on economics, Ivan Herak, resigned from the offered position of the IDS vice-president immediately following the elections at the IDS congress in Labin, doubting he would have sufficient support and because of the recent preelection intraparty manipulations. Nevertheless, at the insistence and public encouragement of the party leaders, he remained at the top. That still does not mean that Herak and his party sympathizers agree with the radical process for the implementation of which at the level of Istria there is an insistent desire. For the time being, however, they are only grumbling, swallowing the statutory and referendum "dumplings" boiling in their immediate vicinity. The questions of when these problems will get stuck in their throats, when they will definitely explain themselves and make more specific moves, remain open. For the benefit of Istria, this time will most likely be very soon.

The disagreement with the new radical policy of the IDS was also publicly expressed by the leaders of the Istrian Croatian Democratic Community at a press conference in Porec. They emphasized that this IDS policy was not bringing any good to the Istrians or to Istria as a whole. They criticized the IDS leaders for the unrealistic assessment of the great efforts made by the Croatian Government in the resolving of the many infrastructural problems in Istria, as well as its support for the Istrian economy, which, in the conditions of war that Croatia is suffering, amounts to several dozen million German marks. It will be interesting to hear the other parties active in Istria, primarily the leadership of the Croatian Social Liberal Party [HSLS], which, judging by the last appearance at the emergency conference of the county of Istria in Buzet, have not completely agreed on their positions.

## Report Views Political Situation in Istria

*AU1708212493 Zagreb VJESNIK in Serbo-Croatian 11 Aug 93 p 2*

[Report by Mirko Urosevic: "What Does the Croatian Democratic Community Reproach the Istrian Democratic Assembly With"]

[Text] Pula—"The politics of the IDS [Istrian Democratic Assembly] is leading toward straining relations and cannot bring anything good to Istria and its inhabitants. Moreover, the politics of the IDS in Istria show inconsistency and hypocrisy, and they are unrealistic in evaluating the efforts of the Croatian Government in solving problems in Istria." This was just one of reproaches to the IDS by the key people of the HDZ [Croatian Democratic Community] County Committee of Istria, replying to the letter to the president of the Parliament and to the conclusions of the special session of the County Assembly of the County of Istria in Buzet.

"We think that the letter and the conclusions of the session of the Assembly of the County of Istria constitute a kind of political pressure, through which they want to exploit momentary subjective and objective weaknesses, and thus attain goals that were set long ago. They are doing so because the IDS did not realize the goals promised in the election campaign, like local autonomy, a trans- border region, and a new system with great authority," said Ante Bartolic, member of the presidency of the HDZ County Committee and councilor of the County Assembly.

This criticism was made at a press conference in Porec last weekend, where Bartolic and Ratko Perencic, members of the County Assembly from the HDZ, explained that they did not express their criticism at the special session in Buzet, because their party is not taken seriously at the County Assembly, so anything it suggests is considered "unfit for the present situation of Istria."

The leaders of the Istrian HDZ, particularly President of the County Committee Marino Golob, say that there is no cooperation with Istrian deputies in the Parliament, and Bartolic added that there was only one contact with deputy Martincic, regarding the law on health care.

The Istrian HDZ has been following the changes in the ruling regional party carefully. The appearance, in Labin, of Elio Martincic, who advocated "democratic disobedience," and Gandhi-like patience in the plight for Istrian interests, was evaluated as a rift in the IDS and as an inner party turmoil, so they said that Martincic was trying to calm the situation stirred up when some other means of political fight were mentioned, in addition to those used in democratic countries. The HDZ also reproaches the IDS with not replying to invitations to talks, especially when they are in the interests of Istria.

Perhaps this criticism will provoke some answers, but the fact is that, at least inside the County Assembly, there are no opposing views for the moment. At the latest special session of the Assembly in Buzet, the HDZ councilors abstained from voting to adopt conclusions that say that the new legal regulations are unacceptable and that they should be changed. Emilio Vlacic was the only member of the opposition who interfered a couple of times, so he got into the task group that put the finishing touches to the conclusions.

Since, in Istria, the position of the Italians in Croatia and Slovenia is becoming more and more topical, the SDPH [Party of Democratic Changes of Croatia] County Committee also gave a statement at the beginning of the week. They want that the "Istrian Italians be treated integrally, as an obligation of both Croatia and Slovenia, so as not to diminish rights and thwart their global development, since the Italian ethnic community was divided after the independence of Croatia and Slovenia."

Before making a statement, the SDPH County Committee of Istria held various meetings and talks with the leaders of Italian Union and with the United List of Social Democrats of Slovenia from the area of Koper, Izola, and Piran. After those talks, it concluded that it is necessary "to draw the attention of the wider public to the present position and problems of the Italian minority in the Croatian and Slovene parts of Istria." Moreover, regarding the outcome of the elections in the province of Trieste, in which the right wing won the elections (which were canceled because of a failure), the SDPH of Istria appeals to Croatia and Slovenia not to give that right wing a cause for attacks and the cause for indirect development of the Right in these parts.

## Krajina Official: 'Nobody Needs This War'

*AU1708185993 Belgrade Radio Beograd Network in Serbo-Croatian 1503 GMT 17 Aug 93*

[Telephone interview with Djordje Bjegovic, prime minister of the republic of Serbian Krajina, by unidentified studio announcer—live]

[Excerpts] [Announcer] Esteemed listeners, it is exactly three years today since the republic of Serbian Krajina [RSK] was proclaimed. As we have been informed, [words indistinct] the RSK Government was also in session. At this moment, we have RSK Prime Minister Djordje Bjegovic directly on the telephone line. Good day!

[Bjegovic] Good day and regards to all of you!

[Announcer] How are you?

[Bjegovic] Well, hot and tired for this time of day.

[Announcer] Yes, we have been told that [words indistinct] anniversary has not been marked extensively.

[Bjegovic] We have marked it symbolically. We held a regular government session. Therefore, this was our festivity. I hope that it will be much better [words indistinct].

[Announcer] Was the government session dedicated to this jubilee?

[Bjegovic] No. We held a working session. We are preparing amendments and appendices to the Constitution, that is, the law on government, the law on the election of deputies, and so forth. Today's session practically concluded a part of the procedure that has been going on in the last month. We have received the finalized texts today, and we are now going to the assembly.

[Announcer] Mr. Bjegovic, are you preparing for the talks with Geert Ahrens and Knut Vollebaek [mediators in the Croatian-Krajina talks] tomorrow?

[Bjegovic] This part of the talks is [words indistinct]. That is what we wished and in this way [words indistinct] prior to the Erdut Agreement and after it. The talks will probably not be held tomorrow, but on Thursday. The date has been changed.

[Announcer] And the reasons for it?

[Bjegovic] We do not know the reasons yet, although it has been agreed that [words indistinct] should be in Zagreb today, on 17 August. They are not in Zagreb but in Brioni. We were told that they would arrive in Knin tomorrow, on 18 August. [Word indistinct] the latest information, these talks will be held on Thursday, 19 August. However, this is [words indistinct].

[Announcer] Mr. Bjegovic. We have been in contact with Geneva, where the former Bosnia-Herzegovina is being discussed as well all the problems connected with the war that is underway there. Our impression, after this communication, was that, although there are problems in the talks, the talks are not going too badly, that they have moved from the standstill. There are problems in the negotiations between you and the Croatian side. These problems are well known. There has been a deadlock for a longer period of time. Do you expect this deadlock to be overcome soon? Will the talks move from this standstill?

[Bjegovic] I believe that [word indistinct] will result in a change for the better in the negotiating process. The UN Protection Forces [UNPROFOR] is the only one who can do this. If [words indistinct] much more difficult. On our part, regardless of everything that has been done, I must conclude that we (?have done everything) to restore peace. Regarding the signing of the cease-fire agreement that is supposed to be signed in New York [word indistinct], perhaps this will be a turnabout. Naturally, before this agreement can be signed, I believe that we will have to implement the Erdut Agreement.

[Announcer] Yes, and especially the provision on the withdrawal of the Croatian Army from the territories conquered on 22 January.

[Bjegovic] This is binding, we cannot change anything here. I believe that this is the fundamental problem. Afterward, we can discuss cease-fire, and economic and political issues—naturally, all this at a later stage.

[Announcer] I presume that you have prepared a platform for the talks with Vollbaek and Ahrens?

[Bjegovic] We definitely have a platform ready, we have even prepared a suitable platform and some documents concerning economic and political issues. In any case, we

are moving step by step. Regarding the part of the agreement on a cease-fire, this is definitely finalized and I believe that there should be no problems. The same applies to the withdrawal of the Croatian Army and police from these territories, as envisaged in the Erdut Agreement.

[Announcer] Mr. Bjegovic, a question about Krajina's internal political life that is often being asked refers to the issue of the Army's professionalization. What is the situation in this sphere?

[Bjegovic] You see, we want to have a progressively smaller Army. Normally, when there is a smaller Army, the economic situation is much better. In any case, we have had this program ready for a long period of time, complete, together with the conclusive [word indistinct], and this part of the procedure has been completed. The only question remaining is that of the operative implementation of all this. A precondition for this is the actual withdrawal of the Croatian Army and [words indistinct] in a peaceful moment in a situation in which we can resolve the problems concerning demobilization and the reduction of the number of soldiers with greater assurances.

[Announcer] [passage omitted] At the end of our interview—we have had some minor interference (?on the line)—how would you comment on the increasingly fierce attacks of the Radical Party on the personality of [RSK] President Hadzic?

[Bjegovic] You see, I always advocate that, in any game and, thus, in political games, too, we should be opponents and not enemies. This would be my message. Let us be [word indistinct] opponents, we can either gain or lose, but [words indistinct].

[Announcer] Mr. Bjegovic, don't you think that this hinders the work of all of your organs, and moreover, the most important thing is that it is nevertheless believed in these talks that a coherent unified community, so to speak, [words indistinct]?

[Bjegovic] [Words indistinct] at this stage a little more patience would be needed regarding all this. I favor a system in which we would work together, [words indistinct] problems. For me, the biggest problem in the current situation is that the war has brought numerous difficulties with it. Once there has been a war for three years we cannot avoid relevant social and other problems. I believe that the most important thing at the moment is that we are reasonable enough to finish the task and end the war between us and the Croats, as nobody needs this war. Later, we will definitely have our own wars, too—I call them wars—[words indistinct] of production, prevention of the illegal trade that is present not only in the RSK but is a syndrome recurrent in the wider area. Regarding the work of the political parties, I believe that—at today's government session we tried to [words indistinct]—the Radicals and all others, parallel to [words indistinct] let us make [words indistinct] and then the best should lead the nation.

[Announcer] [Words indistinct]. Thank you, Mr. Bjegovic!

## Federal

### Croatian Serb Party Delegation Denied Entry

*LD1708142193 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 17 Aug 93*

[Text] A delegation of the Serbian National Party [SNS], led by Veselin Pejnovic, deputy chairman of the party and Croatian Assembly deputy, has not managed to reach Belgrade where they were to hold a press conference today, HINA has reported.

The SNS delegation, which arrived at the Hungarian-Yugoslav border last night, was denied entry to Yugoslavia. At 1000 this morning, Veselin Pejnovic phoned SNS Chairman Milan Djukic in Zagreb and informed him that a government minister from the Federal Republic of Yugoslavia joined the delegation in Hungary and that they negotiated the delegation's entry. Pejnovic also said that the delegation is in telephone contact with representatives of some Serbian opposition parties.

The program of their visit to Belgrade includes talks with representatives of the Socialist Party of Serbia, with opposition parties, and with the office of Serbian President Slobodan Milosevic, and a news conference in the International Press Center at 1200 today. The SNS delegation members travelled with Croatian passports.

### Gen. Panic Visits Border Army Corps

*LD1708182593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1410 GMT 17 Aug 93*

[Text] Belgrade 17 Aug (TANJUG)—Colonel General Zivota Panic, chief of staff of the Yugoslav Army, paid a visit today to some border units of the Uzice corps in Bajina Basta and at Rogacica watch tower, the general staff information service has reported.

Uzice Corps Commander Major General Dragoljub Ojdanic briefed the Yugoslav Army chief of staff about the protection of borders and the territory of the Federal Republic of Yugoslavia in that area, and also aired problems of various shortages and living standards facing the border guards and other members of the corps.

In talks with officers and soldiers General Panic pointed to the need for the multiparty principle within the Yugoslav Army to be strictly observed; this is one of the fundamental conditions for ensuring that the army is a reliable and patriotic pillar for all citizens of the Federal Republic of Yugoslavia.

### Report Claims Simic To Become New Foreign Minister

*AU1708201693 Belgrade BORBA in Serbo-Croatian 13 Aug 93 p 20*

[Report by BNA Tiker: "Simic Instead of Jovanovic?"]

[Text] Belgrade—The new deputy prime minister of the federal government, Zeljko Simic, might soon replace Vladislav Jovanovic, the current foreign minister of the Federal Republic of Yugoslavia. This was learned by Tiker in circles close to the federal Ministry of Foreign Affairs.

According to the same sources, Simic's new position is just a stop on the way to the position of the first man of Yugoslav diplomacy. As is known, Simic was an adviser to the president of the Republic of Serbia, and informed sources say that at the moment, Zeljko Simic is the competent interpreter of Serbian national interests outside the borders of our country. The same sources say that by introducing this change in personnel, the ruling party wishes to strengthen the propagandist foreign policy activity of the FRY, which has been in a crisis for some time now.

Simic used to be a member of the Federal Assembly's Committee for Foreign Relations and a member of the Yugoslav group in the Interparliamentary Union.

He holds a degree from the international department of the University of Belgrade Law School.

### Sanctions Effects on Health System Viewed

*93BA1331F Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 8*

[Article by Lj.M.: "The Alarming Consequences of the Sanctions"]

[Text] The introduction of the sanctions has brought the state of health of the population in Serbia to a very serious, even dramatic situation. The consequences are evidenced in all aspects of health, it was stated yesterday in a press conference arranged in the offices of Beobanka, at which the conclusions of the First Extraordinary Congress of Physicians, held in Belgrade from 27 to 30 June of this year, were presented.

Some of the conclusions are extremely alarming. Because of the poor diet, 20 percent of the population is below the physiological minimum. The birth rate is dropping and the death rate rising. The death rate from infections has risen from 20 to 40 percent. More and more people are suffering from myocardial infarct, diabetes, rheumatic fever, infectious diseases, tuberculosis, severe psychoses, depression, alcoholism, and AIDS. More and more frequently the causes of death are violence and insufficiently defined conditions. There is an increase in the number of miscarriages and risky pregnancies. The health of children has deteriorated 10 percent.

The quality of the health service is seriously threatened by the lack of operating funds, drugs, and bandaging materials. This is the reason for incomplete performance of 35,000 diagnostic procedures in hospitals and 110,000 in outpatient clinics. The rise in the hospital mortality rate is as much as 30 percent above what it was earlier. In just three clinical centers, 14,000 operations and procedures have already been postponed. In the field of transfusology, there is a shortage of tests for blood analysis, in surgery and anesthesiology there is a shortage of anesthetics and respirators and antibiotics. Doctors are more and more frequently going back to old and inaccurate laboratory analyses.

That is why physicians taking part in this conference sent messages to the government urging a redistribution of the national income on behalf of the health service and to international organizations, countries, governments, and friends abroad to do everything in their power to remove the sanctions against the health of a people as soon as possible.

## Chaos in Health System Described

*93BA1346C Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 26 Jul 93 pp 20-21*

[Unattributed article: "Health Care: Epidemic of Distress"]

[Text] *Can the chaos in the health care system be controlled; why has the rationalization of health care services been abandoned; what does Dr. Nikola Mitrovic, the former cabinet minister and director of practically the only health care institution in Serbia that is not operating at a loss, have to say about all this?*

Today, unfortunately, no one needs additional explanation and illustration of the theory that absolutely everything connected to medical treatment and to the health care subsystem, which is important to any normal state, has been drawn into question. Even a cursory look at how things stand at hospitals, health centers, drug stores, pharmaceutical houses, and wholesale drug retailers demonstrates clearly enough that sick people simply have no chance of surviving the misfortune that has befallen us in the general domain. The complete disorganization of our overall health care services is increasingly clear, and the paradox in this regard is complete and simply cynical: Despite the relatively modern health care infrastructure, the professional staff, and the general advances in medicine on the whole, that infrastructure today is in a situation where it is no longer possible to treat benign or infectious diseases, to perform operations, to extract teeth, or to restrain psychiatric patients, to say nothing of feeding or heating them in hospitals.

On the other hand, the foreign blockade of our country is only the last straw in the decade-long internal blockade in which our health care system has existed amid frequent threats of collapse. Everyone is complaining—state services in the field, directors of health care institutions, associations of health care workers, political parties, Assembly deputies, wholesale druggists, pharmaceutical houses, etc. Since the beginning of this year alone, the media has devoted volumes of paper to discussing the consequences of the overall situation. But what is astounding is the absence of any more evident articulation of needs and of pressure to look for the initial thread of this tangled web and to at least establish control over the epidemic of distress and chaos that is already obvious to everyone. And this articulation is not present even under the arches of our three assembly buildings.

### World of Perpetual Darkness

Despite the fact that all the misery of our sick population with referrals and prescriptions in their hands is actually hopeless, it nevertheless remains somehow individual, amid all the media attention. Even the official figures (from the Municipal Secretariat for Health Care, Social Protection, and the Protection of Children from April of this year, which the republican government too pointed out to deputies in the middle of this month) on the situation and opportunities for treatment in our inpatient institutions, for last year when this stampede of distress was not in such full swing, are very synthetic and provide terrible warnings. For example, at the University Clinical Center alone, the largest health care institution in Belgrade and Serbia, around 10,000 operations were postponed over the course of last year. In addition, there were considerable changes in the types and the complexity of operative needs. Follow-up operations are increasingly common among the wounded and regular cases from other centers, together with complications, especially sepsis, as well as repeat operations and other serious cases.

At the "Bezanijska Kosa" Clinical Hospital Center, 2,386 operations were postponed last year due to shortages of material (715 operations in 1990). At the same time, shortages of material meant that full diagnoses were not performed here on 4,467 patients (1,197 patients in 1990). At the same health care institution, full treatment was not performed on 4,116 patients because of shortages of the necessary resources (120 patients in 1990), which only goes to show how the proportion of inadequately cared-for patients is multiplying from year to year.

Because of a partial change in pathology, some health care institutions, such as the "St. Sava" special hospital in Belgrade (which experienced a growth in the number of patients by an index of 110), have seen a significantly increased scope of offered services. At other medical institutions as well, especially those that offer neuropsychiatric health care, the volume of work has increased appreciably. The situation is even worse in the interior. Thus, at the Nis University Clinical Center, 1,215 operations were postponed last year because of shortages of drugs and medical material, while at the same time as many as 98 methods and interventions in diagnosis and treatment were abandoned.

The consequences of this are an evident increase in mortality and illness, especially from infectious diseases, so that the epidemiological situation in Yugoslavia is already considered—even officially—uncertain, because if the spread of infectious diseases continues, there will be mass epidemics. Mental disorders (depression, irritability) are also on the rise, especially among children, young people, and refugees. The rise in mental illness is a consequence of the combined effect of acute and chronic stress, which will also induce a rise in chronic diseases. According to an expert prediction of the medical and health care situation in Serbia up to next year, scientific research work in health care will decline by 64 percent, professional training by 61 percent, and essential drugs by another 46 percent (even though half of the essential drugs from the drastically shortened list covered by insurance are already unavailable). At the same time, the sanitary-epidemiological situation will worsen by 38 percent, the state of equipment by 36 percent, and the quality of work by another 10 percent. Next year, according to this study by the Institute for Social Medicine in Belgrade, will be characterized by a pronounced drop in the birth rate, a further rise in mortality, particularly among the younger population, while among infants and the elderly there will be an increase in deaths from previously treatable conditions such as cardiovascular disease, some types of malignancies, and respiratory diseases.

**What Is Next**

Despite the fact that the worsening of the situation in our health care system has been accelerating, especially since the beginning of this year, the overall activity of official state institutions has been and remains minimal. After a framework for reforming health care and health insurance was defined at the beginning of last year in at least a legal, initial, and meager sense, the government at the time tripped over the first and basic stumbling block: coming forward with an honest assessment of what level of health care for the population can be covered through solidarity. In that way, all the plans already drawn up to rationalize health care services and reduce the number of non-health care workers, whose total volume is estimated to be around 30 percent, were shelved. Even at the beginning of last year, at the request of the Assembly at the time, the rate of contributions for health insurance was lowered, especially the share of workers insurance, even though that was a time when an increasing number of enterprises were on mandatory leave and it was not necessary to pay those obligations for that period. To say nothing of the increase in expenditures for the health care of refugees, the unemployed, etc.

In early fall, the election euphoria set in, so that everything was postponed until February, when the new governments were formed. Since then, even less has been done on solving these problems, unless we count the wrangling over the price of drugs and the formation of various committees to monitor the supply situation and all the threats of centralization and administrative distribution of the entire medical supply. Most everything else constituted putting out the fire with all sorts of official promises. For example, after the alarming appeal by the Nis Clinical Center which threatened to shut down, a delegation headed by Zoran Arandjelovic, then the deputy prime minister and currently the chairman of the Serbian Assembly, promised intervention through prime issue (even though that is not under the jurisdiction of the government in question and its vice prime minister), because allegedly "the state will not permit such an important state clinic to collapse."

The recent extension of the payment obligation for supplemental reorganization steps for health care, as well as the introduction of low participation, which will have no visible financial effect, nor be a significant adjustor of overall health care consumption, will not move things along. Moreover, if on the international scene we reject the unjustified charge against our pharmaceutical industry that it violated the embargo and exported drugs to Slovenia, because the Slovene Ministry of Health has in fact rejected such charges, the fact remains that an ever fewer number of people, at least in the state sector of health care, are able to pay for the drugs that the domestic houses are producing. Any serious step to do something in this sector must lead officials back to the beginning of a serious reform of the health care system and insurance. This was indicated in an interview with our publication by Mr. Nikola Mitrovic, the former Serbian minister of health, who actually provided some initial legal frameworks during his relatively short involvement in politics. He is still the director of the Institute for Oncology, of which an official government document says that "besides improved organization, the determination of medical priorities, and rigorous savings, it has performed practically all indicated operations." Thus, it is practically the only health care institution in Serbia that is not operating today at a loss.

## Serbia

### Government Adopts Market Stabilization Measures

*AU1808090993 Belgrade Radio Beograd Network in Serbo-Croatian 0800 GMT 18 Aug 93*

[Text] The Government of the Republic of Serbia last night adopted a program of measures to stabilize the market situation, stimulate production, and ensure better protection of the most socially endangered strata of the population. The announcement issued this morning says that the government has also adopted a decree by which it establishes the highest level of prices under its jurisdiction, to which producers and shops will have to strictly adhere. The adopted decrees envisage harsh punishment for disturbing regular market supplies.

Established also is the obligation to produce and deliver products of vital importance, as well as the opportunity to take over management of socially-owned enterprises or transferring that right to another enterprise to ensure production. In this way it will also be possible to give

jobs back to people who have been put on forced annual leave, something that would serve as a stimulus to work and wage earning.

These measures also include proposals for amendments to laws that the Serbian Assembly will discuss next week and government decrees that came into force last night.

### Danube Blockade Organizer Warns of German Influence

*AU1708171893 Budapest MAGYAR HIRLAP in Hungarian 17 Aug 93 p 3*

["J.G.B."-signed interview with Jovica Vlahovic, organizer of the blockade on the Danube, by MAGYAR HIRLAP's Novi Sad correspondent; place and date not given: "If the Blockade Does Not Help Then We Will Demonstrate—The Csepel Has Left For Home, the Vac Is Being Held Back"]

[Text] Yesterday we telephoned "Blockade Headquarters" in Belgrade on the current situation at the docks at Zimony [Zemun]. Jovica Vlahovic, commander of the Danube blockade led by the White Rose and New Byzantium "antiracist" organizations, answered MAGYAR HIRLAP's questions.

[Vlahovic] Up to now, all together we have stopped 40, mainly Ukrainian, Russian, and Austrian ships, and only four Hungarian, but I can tell you that we have only had problems with the Hungarians. For example, the Csepel switched off its lights on board, which is strictly forbidden by river shipping rules, and it twice escaped from us. After receiving information from us, some 20 boats blockaded the river at Banovci on 15 August but the captain of the Csepel did not stop his engines and proceeded toward them with full steam. The boats only got out of its way at the last minute and some were damaged by the big waves. In spite of this, some 40 of our men climbed onto the barges and the Hungarian staff locked themselves in their cabins. As far as I know, the Csepel has already crossed the border and is sailing in Hungarian waters. We are examining the Vac ship and its barges at the Belgrade customs docks and I have been informed that serious irregularities have been found.

[Correspondent] When the Vac has completed the customs examination, will you also stop this ship?

[Vlahovic] Naturally.

[Correspondent] However, the port authority in Belgrade does not agree with your action.

[Vlahovic] Unfortunately, this is true; it has given them permission to pass.

[Correspondent] So your blockade has not been successful so far.

[Vlahovic] If we do not succeed with the blockade, we will apply a new method. It is possible that, in the coming days, we will organize a rally in Belgrade to call attention to the danger that Germany is drawing shipping on the Danube under its control.

[Correspondent] When can we expect this demonstration?

[Vlahovic] As soon as our side gives written permission to foreign ships for passage. Up to now, they have only sent verbal messages.

### Struggle of Citizens Facing Hunger

*93BA1332B Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 7*

[Article by Ljiljana Rabrenovic: "Art of Survival: On the Brink of Starvation"]

[Text] *Pensioner Danica Jokic weeps as she says that she cannot even buy the medicine that her husband needs with her pension; Vernica Markovic and her two daughters are mostly living off of starchy foods; many have found salvation in (illegally) purchasing foreign exchange by check.*

Can anyone explain what is happening around us? Galloping inflation, a precipitous fall in the standard of living, impoverishment, hunger.... There are more and more beggars on the streets. They are no longer only Gypsies. People seem to be delirious. All criteria of values are being lost. People will shrink from nothing. The only thing that matters is survival. Everyone is desperate and simply wonders how long this madness can last and whether the day is coming when things will start looking up for us.

Pensioner Danica Jokic weeps. She says that she and her husband receive pensions that total 127 million dinars. Her husband is very ill and must take a "pile" of drugs, but just one of them costs 45 million dinars. What should she use to buy them? She says that they have given up everything. There is not even any money left for coffee, that last pleasure.

#### Not Even Five German Marks in Pension

"We have worked all our lives, and now we wait to be given 'alms,' from which we cannot buy even bread. Everything is calculated in German marks [DM], and I want to tell you that on the day when I was supposed to get my pension it was worth DM10. When I received it, I could not even buy DM5 with it. And what am I supposed to do with that money? The best thing to do would be to kill myself, thus lightening the state's load by that DM5," Danica Jokic says dejectedly.

Vernica Markovic, 40, and her two daughters live off of her minimum wage.

"So far, we have tried hard, thinking that this terrible time will pass. Now, I am already despondent. Our misery is so great that we wonder whether life is even worth it. Believe me, we eat primarily starchy foods. I make fritters almost every morning for breakfast, our lunch consists of vegetables (I do not even know what meat looks like any more), while very often we skip

supper, ostensibly to keep our weight down. We buy fruit once every 15 days. Terrible. Panic has already started to seize me. I am up to my neck in debt, I do not even dare show my face at the bank, because I have nothing with which to cover my debt, to say nothing of interest. This state must do something and make it possible for the people to live a normal life. That is all we seek: survival," says Vernica Markovic.

"It has long been known that this state does not function, but I really did not believe that it would turn us into 'Ethiopians' or 'Somalis.' Here is how I survive: I get a receipt from 'Infostan' and go to the post office. I take out a money order and pay all my debts (rent, water, garbage pickup, etc.) except for heating. I do not pay for that because they have announced that there will be no heat anyway. The same thing with the TV subscription: Let them sue me," says Petar Radovic from Medakovic Naselje.

**Fear of Winter**

Many in turn say that they have found salvation in (illegally) purchasing foreign exchange by check.

"It is not possible to feed a family of five for even 10 days on the wage that my husband and I earn. My husband worked in Africa for a while, so that we have a little foreign exchange left. Now we buy most things by check, even cigarettes, and for each of these giro transactions we pay DM10 to DM20. However, even at savings banks they have become so 'insolent' that they will no longer accept less than DM20. So that is how we will live until we have spent the little reserves that we have, and then...," says Gordana Dimic, a ZTP [Railroad Transport Enterprise] employee.

"I have spent all the money that we have. I am getting ready for winter, because they say that it will terrible. My husband is a seasonal worker. Previously, we usually saved money and spent it during winter. Now, however, we must provide ourselves with at least the bare necessities, because they will probably not be available in the winter. Then we will not need even money," says Zorica Bogavac of Karaburma.

It appears that everyone desires something. Especially pensioners. Ljubica Protic of Banjica says:

"My pension is very small, but I say nothing. What should I do? When I pass a store counter with apricots I turn my head. I want them, but I do not have the money. The clerks ask me why I do not buy them. I tell them I have diabetes...."

## Intervention Measure to Aid Employees

*93BA1332E Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 5*

[Article by M. Petric: "Intervention Measure by Government, Chamber, and Trade Union: Social 'Sedative' of 70 Million Dinars"]

[Text] *Money as one-time assistance must be paid by companies from their own sources, without counting on any sort of loans from the Fund for Minimum Pay; future adjustment in lowest cost of labor once a week?*

All employees in Serbia, including those on mandatory leave, should be receiving 70 million dinars each by the end of July. This is a nonrepayable loan or a type of social assistance to ensure survival until the end of the month amid increasingly high prices. A special agreement on this was signed this morning by representatives of the government, the Economic Chamber, and the Trade Union.

At yesterday's news conference, Tomislav Banovic, the secretary of the Serbian Trade Union, explained that this money must be paid by employers, and thus by companies from their own sources, and that the state will not collect taxes and contributions on these payments. One should not count on possible loans from the Fund for Minimum Pay. The decision, recommendation, or whatever this intention that all employees in the republic receive social assistance is called, elicited numerous questions from journalists when it was announced, the answers to which, the Trade Union said, are also being sought by numerous companies. Among the most frequent ones were questions about what companies that lack money even to pay wages will do, on what legal basis this decision was made, whether this will not create additional polarization between those who have money to pay out and those who do not, not to mention this additional sum to employees through the necessary assistance.

"This is truly an intervention measure, or more precisely a political decision made with the simultaneous readiness of each signer to respect the decision in his field of activity," Vukojica Scekic, a representative of the Serbian Trade Union, said in explaining this move.

Moreover, representatives of the Trade Union yesterday continued their negotiations with the Serbian government that are expected to result in a change in the mechanism for establishing the lowest cost of labor. Specifically, in order to halt the devaluation of earnings, the Trade Union proposes that because of the daily inflation rate of 10 percent the minimum pay be adjusted in the future at least once a week. This would ensure that earnings established in this way would correspond to the noted minimum pay for life's necessities at the moment when they are paid out.

## Striking Workers Demand Salaries

*93BA1332G Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 5*

[Article by J. Stojic: "Strike by 'Krusik' Workers in Valjevo: Wages Sought from Serbian Government"]

[Text] Valjevo, 21 Jul—More than 8,000 workers at "Krusik" Holding Corporation in Valjevo went on strike today at noon. The workers are asking the Serbian Government and its trade payment service to provide

cash for the payment of the second installment of a wage advance and cash for final payment of wages by 23 July.

The Serbian Government's decision to pay every employee in Serbia 70 million dinars was received today by the strike committee with sneers, because they said that it insults the workers' dignity.

The strike, they said, will not end until the Armed Forces of Yugoslavia settle the large debt that they owe for goods that have already been delivered. They are also sticking to the demand expressed in a letter sent two days ago to Serbian Prime Minister Nikola Sainovic, that prices from the consumer basket of goods, which recently have risen 30 to 50 times over, be returned as soon as possible.

## Directors of Firms on Intervention Measure

*93BA1332F Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 5*

[Article by M. Petric and Lj. Milisavljevic: "What Directors of Companies Say About the Serbian Government's Decision: Where to Secure Money for Assistance"]

[Text] *Belgrade Cotton Combine: If we had the money, we would pay wages; "Jumko": Successful despite the blockade; "Belgrade" Shoe Factory: It is good that there are no taxes; IMT [Engine and Tractor Factory]: Waiting for SLUZBENI GLASNIK.*

With regard to the decision that all employees in Serbia will receive 70 million dinars each as assistance by no earlier than 23 July—but according to yesterday's interpretation by the end of the month—we attempted to learn what the management at factories has to say about this. After all, the latest agreement between the government, the trade union, and the [Economic] Chamber obligates them to find this money in their collectives and to pay the workers. The majority of those questioned were caught off guard and in their own words inadequately informed about what is actually being asked of them right now....

"This is a 'crazy' decision, because it is unclear to me who will provide the money for this payment.... If we had money at our company, even without a decision by the government and trade union we would distribute it through wage payments. I wonder who is fawning over whom in this way. Anyway, I do expect some sort of special interpretation, because if someone burdens me with finding money, then they will have to tell me where to get it," Mijat Dragovic, the general director of Belgrade Cotton Combine (1,450 employees), says without hiding his amazement; on three or four occasions, his firm has been forced to pay reimbursements without settling the final sum.

In his own words, Sinisa Janjic, the general director of "Jumko," was not familiar with the details of this decision either, but when he heard that contributions will not be collected on these payments he said that he will have "no problem" paying all 11,000 of his workers this money. Indeed, this collective is operating successfully despite the blockade, and earnings are four to five times higher than the mandatory minimum pay.

"No one is saying where this money is coming from. I have no comment," was the first reaction by Miodrag Selakovic, the assistant general director of "Belgrade" Shoe Factory. To be sure, he praised the fact that the state does not intend to take its share of this money, but what good is it if companies have money in their accounts but cannot withdraw it? He had just returned from the SDK [Public Auditing Service] in an unsuccessful attempt to withdraw money for reimbursements.

"We do have money in our account and are able to pay it out, but our problem is that the banks have no cash. We were thinking to do this job today, but we will probably postpone it for a few days because of the money shortage," says Bosko Ilic, the director of "Elektrometal."

"Our workers have understood that this money will be paid out by the government and trade union, so that today they have already been inquiring into where and when this will happen, but I did not know very much about it either. Actually it is unclear to me why such trouble is being stirred up and everything is being shifted to the shoulders of directors. We have often used loans from the Fund for Minimum Pay in order to provide wages, but this money, they say, must be paid by companies on their own.... Maybe we will manage it by 31 July," says Zarko Dacevic, the general director of TIZ Textile Factory.

Ljubomir Stevanovic, the general director of IMT, thinks that the information on the Serbian government's decision does not obligate him to pay 70 million dinars each to all employees. "Only when it is published in SLUZBENI GLASNIK, or I am informed in a conversation with members of the government, will I be obligated."

"Here, the money will be provided from current business. All 2,000 workers will receive 70 million," said Dragisa Besic, the assistant general director of "Teleoptika."

The government decision will also be complied with by the "IKARUS" Bus Factory. "We will pay the assistance of 70 million dinars each, but we will have some difficulty doing it. We have plenty of debtors, including GSB [expansion not given] and 'Lasta.' If they were to settle their debts, we would have no problem with the payment. Thus, we may even have to go into debt ourselves," said Stanislav Glumac, the director of the Bus Factory.

## Relations Between Army, Radicals

*93BA1326A Belgrade NIN in Serbo-Croatian 16 Jul 93 p 25*

[Article by Radovan Pavlovic: "The Blues Against the Olive-Grays"]

[Text] *The background of Seselj's threat to veto the Army budget.*

Three years ago, when Chetnik leader Vojislav Seselj organized a march against the House of Flowers, seriously intending to plant a hawthorn stick there, the guards were determined to defend the late marshal even at the price of blood. Snipers were posted on the roof of the 25 May Museum and the surrounding buildings. The order read: "If Seselj moves a step past the line permitted for the rally—shoot."

Subsequently, circumstances changed considerably. Seselj became more than a lover of uniforms. There was almost no serious battlefield where the general with a strikingly awkward helmet on his head did not appear.

Seselj fosters a special closeness with blue shirts [reference to Air Force uniforms], and he often has helicopters made available to him to transfer his soldiers from Batajnica to battlefields and back.

For a long time, no one even thought of questioning the firm embrace of the Radicals and people in the military leadership. It was just that occasionally, Army columnist and VJ [Army of Yugoslavia] spokesman Col. Ljubodrag Stojadinovic directed a biting remark at Seselj, calling him a "beardless general." He did not sense that sometime later, because of the colonel's excessively strong words, Seselj would add his name as well to the rather long list of officers who had to go—as an ultimatum. There will not be any money for the Army unless Colonel Stojadinovic, Colonel Aleksandar Dimitrijevic, chief of the General Staff's Security Administration, General Vladimir Stojanovic, commander of the First Army, and Lt. General Dr. Radovan Radinovic, chief of the Administration for Strategic Studies and Defense Policy, leave it.

**Impure Blood**

Why did the leader of the Radicals, after he succeeded in discrediting the top officer in the Yugoslav Army, take aim at the above-mentioned officers, threatening to "veto" the Army's budget financing in the FRY Assembly?

It is believed that with two generals, Nedeljko Boskovic and Ljubomir Domazetovic, being sent into retirement, an era of sharp confrontation is beginning between the Army, or rather part of its leadership, and the Serbian Radicals. From the head of the Army's intelligence and security section (General Boskovic), Seselj obtained significant military information, which he later used to attack one Panic (Milan) and then the other (Zivota).

All those who tried in any way or intended to defend the chief of the General Staff and to welcome the decision to retire Boskovic and Domazetovic came under attack by Seselj: General Stojanovic, because the operation of Kentaur, Goran Panic's firm, went through the First Army; and Colonel Aleksandar Dimitrijevic, because by the nature of things, as the top military intelligence officer, he had to know that "the general and his son were involved in criminal activity." General Radinovic's sin is that he is close to Panic and he is a man of impure Serbian blood. His wife is a Croat, and his brother-in-law, a former "JNA officer," is now on the Croatian Army's side.

At first Colonel Stojadinovic was third on Seselj's list, then fifth, and finally first. The reason for this "promotion" is seen by the spokesman in his own statements that it was insane for the leader of the Radicals to threaten to bomb the Romans, and that it was stupid to abolish military homes and libraries in order to survive, because that idea is equivalent to Goebbels' book-burning.

Colonel Stojadinovic states that obviously the Radicals have their own branch in the Army, which provides them with a list of unsuitable officers. The goal is to lower Army officers' standard of living radically, and to reduce their salaries to 5-20 marks. Then blind followers will be left in the Army, over whom it will not be difficult for a party, the Socialists or the Radicals, to achieve control.

Through their ultimatum, the Radicals are trying to subjugate the Army. It does not have money anyway; it is sufficient to state that the average general's salary in June was somewhat more than 70 million. In another uniformed camp, an ordinary corner guard, or police patrolman, earned almost twice as much.

In a situation in which the armed forces have been put in financial stalemate, it is not strange that a man with glass legs is heading the Army. It suits the Socialists and Radicals that a weak person is in a strong position, without the power to undertake anything to benefit the Army. As such, Colonel General Zivota Panic will have to leave, in the very near future, and it will not be any surprise if as early as next week the Supreme Defense Council announces that his moral responsibility, if not criminal, has been determined in the case of the "Panic and son" scandal.

**Surplus of Officers**

The champions of the other Army faction, who actually see behind the Radicals' offensive against the Army leadership an attempt to remove the old group and bring in a new, pro-Serbian, radical group of officers, are betting on the following outcome: The most frequent calculation is that the group of olive-gray officers headed by General Panic will be replaced by blue ones from Zemun. "I would not vote for approving a budget for this kind of army either," said one colonel from the Air Force and air defense command, adding that "the blues are angry at the incompetence of the military leadership and the frequent scandals." His colleague in uniform color, a general, wonders where high officers got so many thousands of marks to buy apartments, when a general's salary is barely 50 marks. He also wonders why the Army needs so many strong generals, claiming that "the officer corps should be cut in half."

NIN's interlocutors say that clearly all the parties want to achieve influence in the Army. The Socialists do not have to worry much about this; they can "crush the military leadership whenever they feel like it"; "the Radicals, especially Seselj, have achieved an enviable level"; the others do not even have any position. General Andrija Biorcevic, commander of the Novi Sad Corps, and Vukovar warrior Veselin Sljivancanin are usually cited as supporters of the Radicals. For those in the know, that is quite enough for the Radicals' influence to spread.

The statements by the Serbian Radical Party that it is intolerable to make adoption of the federal budget contingent upon the replacement of personnel in the army, however, clearly indicate that the Socialists will not allow the Radicals to play personnel games in the VJ. The place where the replacement of the officers will be decided is the Supreme Command, in which the Socialists have two votes: Milosevic's and Lilic's.

Consequently, one can assume that the new head of the VJ—if it is not Bozidar Stevanovic or Dragoljub Simonovic, now deputy chief of the General Staff—could be Lt. General Momcilo Perisic.

## Strength of Parties Determined by Voters

*93BA1332A Belgrade POLITIKA in Serbo-Croatian 22 Jul 93 p 7*

[Article by Milenko Pesic: "Parties Between Members and Voters: How Many People Have Party Membership Cards"]

[Text] *"Today, voters, those who decide the elections, are more important than party membership," says Dr. Vladimir Goati; membership in the radicals is on the rise, while the socialists are on the decline.*

The real strength of political parties cannot be judged on the basis of membership figures. This is best demonstrated by Western democracies where only 3 to 5 percent of the voters have a party membership card. Some rough estimates indicate that in Serbian multiparty life 10 percent of the electorate enjoys the status of member of one of the approximately 100 political parties.

The fact that here as well the number of party members is not a critical criterion in capturing votes in elections is confirmed by two examples. In the last electoral bout, every holder of a membership card for Micunovic's Democrats brought 10 voters with him. In the ruling party, the ratio of voters to SPS [Socialist Party of Serbia] members was incomparably smaller—three to one. The case of Zeljko Raznjatovic Arkan's group of citizens is the best proof that it is not even essential to have a party in order to win voters.

### Members as Sympathizers

Thus, Arkan has more deputies in the Serbian Assembly than some parties that were better known until recently. The days of mass party membership are inexorably behind us, many political scientists and sociologists agree. At the time when Bora Djordjevic courageously sang, "I will not be a member of the mafia...," the League of Communists of Serbia alone, as part of the LCY [League of Communists of Yugoslavia], had around 900,000 registered members. With the formation of the Socialist Party of Serbia, around half a million communists did not renew their membership in the party of the red rose.

"Today, the most important voters are those who decide the elections, not the party membership," explains Dr. Vladimir Goati of the Institute for Social Sciences. This respected investigator of the multiparty scene adds that today it is very hard to determine how many members a party has, because most parties keep that information secret. Studying what has happened in recent times, Goati concludes, although somewhat cautiously, that a redistribution of forces is taking place in parties. "The number of members of the Serbian Radical Party [SRS] is on the rise, while the number of members of the SPS is on the decline," Vladimir Goati says.

### SPS Aspires to Mass Participation

In the book "Radjanje javnog mnenja i politickih stranaka" [The Birth of Public Opinion and Political Parties], analyses of the elections in Serbia in 1990 and 1991, Vladimir Goati concludes that the term "member" is not well-suited to the essence of the relationship between party and individual. He thinks that the word "sympathizer" is better in our situation, "because he is the voter, but more than an voter, because he acknowledges his leaning toward a party."

The status of party member implies that an individual has rights and obligations and that he actively participates in party life. That is why a rough division could be made into passive and active party members. The latter are usually the most important to the party, because they constitute a perpetual hotbed of potential personnel, but also a mobilizing nucleus that carries the elections on their shoulders.

"The annual inflow into the ranks of the socialists is 15,000, while the outflow is around 5,000, but the number of members is in the 440,000 range," says Dusanka Djogo, a member of the SPS Executive Committee.

The ruling party has thrown open its party doors to all who accept its program and statute. "As the party of workers, farmers, and the middle class, we naturally aspire to mass participation," says Dusanka Djogo.

Rajko Goranovic, the spokesman for the Serbian Radical Party and a people's deputy, says that mass membership is not a priority objective for the SRS; rather,

promoting the party's program and winning votes is. "According to last year's figures, the radicals have more than 100,000 members scattered throughout all the opstina committees in the FRY, except Cetinje. Naturally, there are also the SRS branches in the republic of Srpska and the republic of Serbian Krajina," Goranovic says.

The Serbian Renewal Movement [SPO] has begun replacing party membership cards. "It is hard to say how many members the SPO has right now; the figures that I would make public are certainly lower than the objective situation," says Mihajlo Mitrinovic, a member of the SPO Executive Committee. According to Mitrinovic, the Vuk Draskovic's party had a large influx of members in 1991 and this year, while last year there was an ebb.

The SPO strategy is to have a certain number of qualified members who can draw sympathizers in the elections. "Personally, I am in favor of mass participation, because a party is sustained by its membership, among other things," Mitrinovic adds.

#### Democrats "Recruit" Members

From the last elections, the Democratic Party [DS] is at the figure of 40,000. "We are not doing anything to promote mass membership, because we feel that that figure plays a limited role in the elections," says Jovan Nikolic of the DS Information Service. He adds that the Democrats have 1,500 active members. When the party carries out any activity in the field, that figure doubles.

Anyway, he says, the DS has an intense screening process for people who want to join the party. "We insist on our members being people who are truly ready to commit themselves. Our activity is to seek out people, so that it could be said more or less that we get those people whom we need to join, by recruiting them," Nikolic says. Otherwise, anyone can be a member of the DS unless the local opstina committee from which the potential member comes is opposed to it for any reason.

The Democratic Party of Serbia [DSS] also does not aspire to mass participation. "Since our founding, we have recorded a constant influx of members, who now number approximately 15,000," says Mirko Petrovic, the chairman of the DSS Executive Committee. During the period when Vuk Draskovic was in prison alone, 120 people joined the DSS, which Petrovic sees as a good sign, given the fact that after the elections citizen interest in working for parties declined.

## Macedonia

### U.S. Troops Seen Redeploying on Border

*LD1708224493 Belgrade TANJUG Domestic Service in Serbo-Croatian 2144 GMT 17 Aug 93*

[Text] Skopje, 17 Aug (TANJUG)—A contigent of the U.S. armed forces, stationed in the Former Yugoslav Republic of Macedonia [BJRM] as part of the UN Protection Forces [UNPROFOR], today left the UNPROFOR base at Skopje's Petrovec airport for a belt along the border with the Federal Republic of Yugoslavia on Mt. Skopska Crna Gora.

A column of several military vehicles flying the U.S. flag were observed at the northern exits out of Skopje moving in the direction of Skopska Crna Gora. There was no official announcement in Skopje this evening about the redeployment of the U.S. soldiers.

About 1,000 soldiers are deployed in Macedonia as part of UNPROFOR, including about 300 from the United States.

On several occasions, Macedonian authorities pointed out that they considered the area, near the border with the FRY and with majority Serbian population, as the most sensitive section of the new border.

### Illegal Border Crossings Expected To Increase

*AU1708144193 Skopje MILS-NEWS in English 17 Aug 93*

[Unattributed report: "Increase in Illegal Border Crossings Expected"]

[Text] The Tetovo police expects a drastic increase in the number of illegal crossings in the region near the crossing Jazanci, following the introduction of the passport regime towards Serbia.

The border point near Tetovo was daily crossed by 2,000-3,000 vehicles in one direction, with lines up to 12km long.

"That can only add to the number of people who illegally cross the border and stay in the Tetovo region," the chief of the Tetovo police station Jovan Milevski told VECER. A number of some 2,000 people is mentioned, mainly citizens from Albania and Kosovo. Their presence has been spotted in the derelict housing buildings and annex facilities of a number of mosques in the Tetovo villages. A group of approximately 40 illegal entrants has been discovered in the mosque in the village Dzepiste, while a similar group has been apprehended in the village of Zelino. The police also detected a number of delinquent operations and infliction of heavy bodily injuries.

In the last two-three months, the Tetovo police "sent back" 100 citizens from SR [Federal Republic of] Yugoslavia (Kosovo) and 500 from Albania. According to the chief of police from Tetovo Milevski, "at this moment, Tetovo is real Mecca (holy city of Islam) for the citizens of Serbia who are engaged in the smuggling of petrol." Along the border region from Tetovo toward the Kosovo border, there are approximately five unlicensed petrol stations serving the Serbs. Daily, the Tetovo police confiscates approximately one tonne of petrol from Yugoslav citizens.

### Passport Controls Introduced on Yugoslav Border

*LD1708215393 Belgrade TANJUG in English 1948 GMT 17 Aug 93*

[Text] Skopje, August 17 (TANJUG)—The former Yugoslav republic of Macedonia on Monday [16 August] introduced passport control on its border with the Federal Republic of Yugoslavia, it was officially announced here on Tuesday.

The Foreign Ministry sent a note to the Yugoslav government informing it about the decision.

The passport requirement will be obligatory for the citizens of both countries, said the statement and added that Yugoslav citizens would not need visas to enter Macedonia.

The Macedonian officials who informed the Yugoslav government about the decision pointed out that the intention was not to impose a special border regime but to have a normal passport control, such as Macedonia has with all other countries.

## Kosovo

### Authorities Bring Charges Against 10 Albanians

*LD1708135193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1250 GMT 17 Aug 93*

[Excerpt] Prizren, 17 Aug (TANJUG)—The district public prosecutor in Prizren has brought charges against 10 persons who, according to Nikola Vazura, the investigative judge and chairman of the district court in Prizren, have been charged with the criminal act of threatening the territorial integrity of the Federal Republic of Yugoslavia. [passage omitted]

### Police Said Monitoring Approaches to Pristina

*LD1708162393 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 17 Aug 93*

[Text] The Kosovo information center announced today that a large police force was observed this morning carefully controlling all approaches to Pristina. Groups of Serbian policemen have taken position inside the town, and strong police units are patrolling the town. There are several trucks full of soldiers in front of the military command. The residents of Pristina and other passers-by who arrived in Pristina have been subjected to thorough control. Reinforced patrols were noticed today in Prizren and Gnjilani as well. Sources close to the Democratic Alliance of Kosovo [Demokratski savez Kosova] have not issued any statements explaining the increased police presence.

### LDK Protests 'Brutal' Serbian Police Repression

*AU1708201593 Tirana Radio Tirana Network in Albanian 1730 GMT 17 Aug 93*

[Telephone report by Mehmet Haziri from Pristina]

[Excerpt] [Passage omitted] At about 1000 on August 17, the police brutally intervened in Ferizaj and Prishtina markets, raided a considerable amount of goods, and arrested several citizens. A tense situation has been created in Prishtina. The reason for the presence of so many police forces remains unknown.

The same tense situation is prevailing in Gjilan.

The Kosova Information Center reports that at 0500 this morning, large Serbian police forces came out of the barracks of this city and headed toward Ferizaj. It is reported that the greatest part of the heavy ammunition has gone out from the barracks.

It is reported that police reinforcements were observed in Prizren, Gjakove, and (?Rallen). [Words indistinct] in Gjilan, Orllan in Podujeve, and [words indistinct] in Rahovec, and [word indistinct] in Vushtrri. In all the cases, the police behaved brutally by maltreating many persons and demolishing furniture and other house utensils.

On the occasion of the escalation of repression in Kosova, the Kosova Democratic Alliance [LDK] Presidency issued a public communique stressing that the Serbian police have recently exerted massive repression against Albanians in Kosova through maltreating many people and making continuous arrests. The leaders and the activists of political parties, primarily those of the LDK and the democratic institutions in Kosova, are the targets of repression.

Brutal police interventions in Mitrovice, Prizren, and Gllogovc against citizens and activists of the political parties, as well the present blockage of the whole city of Prishtina today, testifies that the Serbian authorities want to make massive provocations.

The communique further states that with this lage-scale repression, the Serbian authorities want to destroy the democratic institutions in Kosova and destroy the peaceful and political movement that the Albanian people of Kosova are pursuing.

The communique ends with an appeal to the international community on increased presence in Kosova so as to avoid a conflict of great dimensions, which is wished by Serbia.

## Albanian Soldiers Reportedly Attack Watch Tower

*AU1708202293 Belgrade BORBA in Serbo-Croatian 9 Aug 93 p 20*

[Report by R. Baktijarevic: "The Attack on Yugoslav Army Patrol"]

[Text] Pristina—After a certain lull, there have again been some grave incidents on the Yugoslav-Albanian border, due to which the Yugoslav side has issued a sharp protest to Albania for the third consecutive time. The latest incident took place in the region of the Morina watch tower, near Djakovica on the Yugoslav side on 6 August. Albanian soldier Ali Cera Sehu died, while it is assumed that Albanian citizen Dzavit Dervis Ferizaj suffered serious injuries.

The first incident took place at the beginning of August, when a group of Albanian citizens tried "to test" the Yugoslav border in the vicinity of the Morina watch tower. These were not, as usually, children and farmers, but armed passengers. Their crossing of the border was thwarted. A sharp protest to the Albanian side ensued. However, the leader of the Kosovo Albanians, Ibrahim Rugova, accused the Serbian, that is to say, the Yugoslav side for the incidents on the border.

"The accusations of Serbia, that is, the so-called Yugoslavia, that Albania is creating incidents on the border between Kosovo (?) and Albania are incorrect. By this, they wish to deteriorate the relations further and strain this border to such an extent that it would be, according to them, always impassable. However, as a part of the integration and programs that will be implemented in the Balkans, this border will soon be passable for the Albanians on both sides of the border."

Immediately after this statement by Ibrahim Rugova, made at a news conference on August 6, one of the most grave incidents took place. A group of armed civilians and Albanian soldiers attacked the Yugoslav Army guards. The shooting near the Morina watch tower lasted from 1100 to 1500, until the lifting of the blockade of the border patrol.